

Towa Sokki Limited



TWENTY FIFTH ANNUAL REPORT 2016 - 2017

BOARD OF DIRECTORS

Shri O.J. Bansal	Managing Director
Shri S.J. Bansal	Director
Smt. S.O. Bansal	Director
Shri G.C. Agarwala	Director
Shri Hashmukhbhai Patel	Director
Shri Heeralal Barot	Director

COMPANY SECRETARY

Mrs. Vandana Yadav

CHIEF FINANCIAL OFFICER

Mr. Somesh Bansal

BANKERS

Bank of Baroda
Indian Overseas Bank

AUDITORS

M/S. BHAVAN PATEL & CO.
204-B, Vertex Vikas,
Sir M.V. Road Andheri (East)
MUMBAI – 400 069

REGISTERED OFFICE

FF-6, Amrapali Apartment,
Near Air Force Station,
Makarpura,
VADODARA – 390 014
CIN : L51909GJ1993PLC019111
Tele. Fax : 0265-2652851
E-mail : towasurvey@yahoo.co.in
Website : www.towasokki.in

NOTICE

25th Annual General Meeting will be held at Ground Floor, Shreekunj Residency, Opp. Voltamp Transformers, Near Rajput Bhavan, Maneja, Vadodara – 390013 on Friday, 29th September, 2017 at 10:00 A.M.

CONTENTS

Notice
Board's Report
Auditor's Report
Balance Sheet
Profit and Loss Account
Cash Flow Statement
Notes to Financial Statements
Ballot Paper
Proxy Form
Attendance Slip

NOTICE

Notice is hereby given that the Twenty Fifth Annual General Meeting of the members of TOWA SOKKI LIMITED will be held on Friday, 29th September 2017, at 10.00 a.m. at Ground Floor, Shreekunj Residency, Opp. Voltamp Transformers, Near Rajput Bhavan, Maneja, Vadodara - 390013, to transact the following Business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statement of the Company for the year ended 31st March, 2017 and the Reports of Board and Auditors' thereon.
2. To appoint a Director in place of Smt. Sushila Omprakash Bansal (DIN: 01488071), who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint Auditors of the Company to hold office from the conclusion of this AGM until the conclusion of the next AGM and to fix their remuneration, and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/s. Doogar & Associates, New Delhi (Firm Registration No. 000561N) be and are hereby appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the 30th Annual General Meeting to be held during the year 2022 at such remuneration as may be mutually agreed upon between the Board of Directors of the Company and the Auditors."

Registered Office :
FF-6, Amrapali Apartment,
Near Air Force Station,
Makarpura,
Vadodara – 390014
CIN : L51909GJ1993PLC019111
E-mail : towasurvey@yahoo.co.in
Website : www.towasokki.in
Date : 31-07-2017

By Order of the Board
For Towa Sokki Limited
Sd/-
O.J. Bansal
Chairman & Managing Director
(DIN: 01488025)

NOTES:

1. **A Member entitled to attend and vote at this Annual General Meeting is entitled to appoint a proxy to attend and vote, instead of himself/herself.** A proxy need not be a Member of the Company. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company carrying voting rights. A member holding more than 10 (ten) percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy for any other person or shareholder.
2. The instrument of proxy in order (duly completed & signed) to be effective must reach at the Registered Office of the Company not less than 48 hours before the commencement of meeting.
3. Proxies submitted on behalf of the Companies, Societies etc., must be supported by an appropriate resolution/authority authorizing their representative to attend and vote at the Annual General Meeting.
4. A proxy shall not vote except on a poll. A proxy form is appended with the attendance slip.
5. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
6. Member seeking any clarification on account of the company are requested to send their query in writing to the company at registered office addressing to Managing Director or through e-mail at towasurvey@yahoo.co.in. The query must reach to the company either by mail or e-mail at least seven working days before the date of AGM (excluding the date of AGM).
7. The Register of Members and Share Transfer Books of the Company will remain closed from 23rd September 2017 to 29th September, 2017 (both days inclusive).
8. As a measure of economy, copies of the Annual Report will not be distributed at the Meeting. Members are, therefore, requested to bring their copies of Annual Report.
9. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Transfer Agent. In respect of shares held in electronic/demat form, the nomination form may be filed with the respective Depository.
10. Members are requested to send all their communications pertaining to shares & notify change in their address/mandate/bank details to The Registrar & Share Transfer Agent, M/s Link Intime India Pvt. Ltd., to facilitate better servicing.
11. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to The Registrar & Share Transfer Agent, M/s Link Intime India Pvt. Ltd., for their doing the needful.
12. In furtherance of the Green Initiative and Section 101 of the Companies Act, 2013 read with Rule 18(3) (i) of the Companies (Management & Administration) Rules, 2014 and Rule 11 of the Companies (Accounts) Rules, 2014, the Company urges the Members to register their email address with the Company and/or its Registrar and Share Transfer Agent, M/s Link Intime India Pvt. Ltd., for receiving the Annual Report, Notices etc. in electronic mode. In future all the Annual Report, Notices and other communications etc. will be sent in electronic mode to the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member requests for a physical copy of the same.

13. In future electronic copy of the Notice of General Meetings of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form will be sent to the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member requests for a physical copy of the same.

14. Members are advised that it is mandatory to furnish copy of PAN Card both side signed as self attested in the following cases:

- i) Transferees' PAN Cards for transfer of shares,
- ii) Legal heirs' PAN Cards for transmission of shares,
- iii) Surviving joint holders' PAN Cards for deletion of name of deceased Shareholder and
- iv) Joint holders' PAN Cards for transposition of shares.

15. Members may also note that the Notice of the Annual General Meeting and the Annual Report 2016-2017 will also be available on the Company's website www.towasokki.in for being downloaded. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days till the date of the meeting. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's email id : towasurvey@yahoo.co.in

16. Process and manner for members opting for E-voting.

I. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide Members holding shares either in physical form or in dematerialized form the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).

II. Similarly, members opting to vote physically can do the same by remaining present at the meeting and should exercise the option for e-voting. However, in case Members cast their vote exercising both the options, i.e. physically and e-voting, then votes casted through e-voting shall be only taken into consideration and treated valid whereas votes casted physically at the meeting shall be treated as invalid.

The instructions for e-voting are as under:

i) The e-voting period begins on 26-09-2017 from 10.00 A.M. and ends on 28-09-2017 till 5.00 P.M. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on Cut-Off Date (Record Date) of 23-09-2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

ii) The shareholders should log on to the e-voting website www.evotingindia.com during the voting period.

iii) Click on Shareholders.

iv) Now Enter your User ID

- a. For CDSL: 16 digits beneficiary ID,
- b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
- c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

v) Next enter the Image Verification as displayed and Click on Login.

vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) * Members who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. * If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

viii) After entering these details appropriately, click on "SUBMIT" tab.

ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

xi) Click on the relevant EVSN for "Towa Sokki Limited" on which you choose to vote.

xii) On the voting page, you will see "Resolution Description" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can

download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

xix) Note for Non - Institutional Shareholders and Custodians

- * Non-Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
- * A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- * After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- * The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- * A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

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

17. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date i.e 23-09-2017.

18. Mr. Kashyap Shah, Practicing Company Secretary, C.P. Membership No. 6672 have been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

19. The Chairman shall, at the AGM, allow voting with the assistance of scrutinizer, by use of "Ballot/Polling Paper" for all those members who are present at the AGM but have not cast their votes through the remote e-voting facility.

20. The Scrutinizer shall after the conclusion of voting at the AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of the conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

21. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company and on the website of CDSL after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be forwarded to BSE Limited.

Registered Office :
 FF-6, Amrapali Apartment,
 Near Air Force Station,
 Makarpura,
 Vadodara – 390014
 CIN : L51909GJ1993PLC019111
 E-mail : towasurvey@yahoo.co.in
 Website : www.towasokki.in
 Date : 31-07-2017

By Order of the Board
 For Towa Sokki Limited
 Sd/-
 O.J. Bansal
 Chairman & Managing Director
 (DIN: 01488025)

BOARD'S REPORT

Your Directors have pleasure in presenting the 25th Annual Report on the business and operations of the Company and the Audited Accounts for the Financial Year ended 31st March 2017.

1. FINANCIAL RESULTS

	(Amount in Rs.)	
Particulars	31-03-2017	31-03-2016
Total Income	1535861	1091480
Total Expenses	3441278	1563445
Earning before Interest, Tax & Depreciation	(1905417)	(471965)
Depreciation	207857	275668
Finance Costs	1201	3255
Profit / (Loss) Before Tax	(2114475)	(750888)
Provision for Tax	--	--
Profit / (Loss) after Tax	(2114475)	(750888)

2. DIVIDEND

In view of the loss, management does not propose any dividend for the year 2016-2017.

3. REVIEW OF OPERATIONS

The operations for the year under review shows a loss of Rs. 2114475/-. During the year under review, the manufacturing sales have not been much improved. This is mainly attributed to overall economic slowdown in the Country.

Your directors are hopeful of achieving a steady growth in sales and job work activity and resultant net margin in the years to follow.

4. RESERVES

There is no creation of reserves in the F.Y. 2016-17.

5. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no amount required to be transferred to Investor Education & Protection Fund.

6. SHARE CAPITAL

During the year under review, there is no change in the Authorized and paid up share capital of the Company.

BUY BACK OF SECURITIES

The Company has not bought back any of its securities during the year under review.

SWEAT EQUITY

The Company has not issued any Sweat Equity Shares during the year under review.

BONUS SHARES

No Bonus Shares were issued during the year under review.

EMPLOYEES STOCK OPTION PLAN

The Company has not provided any Stock Option Scheme to the employees.

7. MATERIAL CHANGES

No material changes and commitments affecting the financial position of the Company occurred between the ends of the financial year to which this financial statement relate on the date of this report

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

(A) Conservation of energy:

Steps taken / impact on conservation of energy, with special reference to the following:

During the year under review, there were no activities, which required heavy consumption of energy. However adequate measures have been taken to make sure that there is no wastage of energy. Since the requisite information with regard to the conservation of energy, technology absorption (Disclosure of Particulars in the report of Board of Directors) Rules are irrelevant/not applicable to the Company during the year under review, the same are not reported.

(B) Technology absorption:

Since no significant business has generated from manufacturing activities, the company will review technology absorption gradually upon achieving significant manufacturing activities.

(C) Foreign Exchange Earnings and Outgo:

Particulars	2016-17	2015-16
Foreign Exchange earned in terms of actual inflows during the year (On F.O.B Basis)	NIL	NIL
Foreign Exchange outgo during the year in terms of actual outflows	NIL	NIL

9. RISK MANAGEMENT

The Company has framed a sound Risk Management Policy to identify and evaluate business risks and opportunities and the same has become integral part of Company's day to day operations. The key business risks identified by the Company are as follows viz. Industry Risk, Management and Operations Risk, Market Risk, Government Policy Risk, Liquidity Risk, and Systems Risk. The Company has in place adequate mitigation plans for the aforesaid risks.

10. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Since the Company's net worth does not exceed Rs. 500 crores or Company's turnover does not exceeds Rs. 1000 crores or the Company's net profit does not exceed Rs. 5 crore for any financial year, the provisions of section 135 of the Companies Act, 2013 are not applicable.

11. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the furnishing above information is not applicable.

12. RELATED PARTY TRANSACTIONS

Related party transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions with the Company's Promoters, Directors, Management or their relatives, which could have had a potential conflict with the interests of the Company. Transactions with related parties entered by the Company in the normal course of business are periodically placed before the Audit Committee for its omnibus approval and the particulars of contracts entered during the year as per Form AOC-2 is enclosed as Annexure-1.

The Board of Directors of the Company has, on the recommendation of the Audit Committee, adopted a policy to regulate transactions between the Company and its Related Parties, in compliance with the applicable provisions of the Companies Act 2013, the Rules there under and the Listing Agreement. This Policy was considered and approved by the Board and has been uploaded on the website of the Company at www.towasokki.in

13. DIRECTORS

Mrs. Sushila O. Bansal, Director, retiring by rotation, being eligible for reappointment offers herself for re-election.

COMPANY SECRETARY

Mrs. Vandana Yadav has been appointed as Company Secretary of the Company w.e.f. 1-04-2016. She has resigned w.e.f. 5-07-2017

13.1 BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and Compliance Committees.

13.2 REMUNERATION POLICY

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

13.3 DISCLOSURES PURSUANT TO SECTION 197(14) OF THE COMPANIES ACT, 2013

None of the Directors of the Company is in receipt of any commission from the Company

13.4 MEETINGS

A calendar of Meetings is prepared and circulated in advance to the Directors.

Sr. No.	Date of Board Meeting	Total Number of Directors as on the date of Board Meeting	Attendance	
			No. of Directors attended	% of attendance
1	26-05-2016	6	6	100%
2	07-07-2016	6	6	100%
3	11-08-2016	6	5	83%
4	12-11-2016	6	5	83%
5	13-02-2017	6	6	100%

13.5 DECLARATION OF INDEPENDENT DIRECTORS

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

13.6 COMPANY'S POLICY RELATING TO DIRECTORS APPOINTMENT, PAYMENT OF REMUNERATION AND DISCHARGE OF THEIR DUTIES

The provisions of Section 178(1) relating to constitution of Nomination and Remuneration Committee are applicable to the Company and hence the Company has devised policy relating to appointment of Directors, payment of Managerial remuneration, Directors qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Companies Act, 2013 and for details refer website www.towasokki.in

14. AUDIT COMMITTEE AND VIGIL MECHANISM

The above composition of the Audit Committee consists of Independent Directors who form the majority. The Company has established a vigil mechanism and oversees through the committee, the genuine concerns expressed by the employees and other Directors. The Company has also provided adequate safeguards against victimization of employees and Directors who express their concerns. The Company has also provided direct access to the Chairman of the Audit Committee on reporting issues concerning the interests of co-employees and the Company

Following Audit Committee Meeting were held during the year.

Sr. No.	Date of Audit Committee Meeting	Total Number of Directors as on the date of Committee Meeting	Attendance	
			No. of Directors attended	% of attendance
1	26-05-2016	3	3	100%
2	07-07-2016	3	3	100%
3	11-08-2016	3	2	67%
4	12-11-2016	3	3	100%
5	13-02-2017	3	3	100%

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.towasokki.in

15. DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(5) of the Companies Act, 2013 the Board hereby submits its responsibility Statement: -

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had 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 at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis; and the directors, had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

16. ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in Annexure-2 and the same is attached to this Report.

17. SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary, Joint venture or Associate Company.

18. DEPOSITS

The Company has neither accepted nor renewed any deposits during the year under review.

19. WEBSITE

The corporate website www.towasokki.in displays relevant information as required under the Companies Act, 2013 and Rules framed there under and as per SEBI regulations.

20. AUDITORS

20.1 STATUTORY AUDITORS

The Company's Auditors M/s. Bhavan Patel & Co., Mumbai (Firm Registration No. 101362W) Chartered Accountants, will retire at ensuring Annual General Meeting of the Company. In terms of section 139 to 141 of the Companies Act, 2013 and the Rules framed thereunder, it has been proposed to make appointment of M/s. Doogar & Associates, New Delhi (Firm Registration No. 000561N) Chartered Accountants, as Auditors of the Company to hold the office from the conclusion of ensuing Annual General Meeting until conclusion of 30th Annual General Meeting. As required under Listing Regulations, the auditors have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

20.2 SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Hemang Shah, a Practicing Company Secretary to undertake the Secretarial Audit of the Company. The Report of the Secretarial Audit Report is annexed herewith as Annexure-3.

20.3 OBSERVATION OF AUDITORS

There is no qualifications, reservations or adverse remarks made either by the Auditors or by the Practicing Company Secretary in their respective reports.

21 PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

There were no loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review and hence the said provision is not applicable.

22. DETAILS OF SIGNICANT & MUTUAL ORDERS PASSED BY THE REGULATORS OR COURTS

No such order passed.

23. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has adequate system of internal control to safeguard and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements. The internal auditor of the company checks and verifies the internal control and monitors them in accordance with policy adopted by the company.

The Company continues to ensure proper and adequate systems and procedures commensurate with its size and nature of its business.

24. CORPORATE GOVERNANCE

The Compliance with the corporate governance provision as specified in Regulation 46 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and para c, d, e, of schedule V shall not apply in respect the listed entity having paid up capital shall not exceeding rupees Ten Crores and net worth not exceeding rupees Twenty Five Crores as on the last days of Previous financial year

As the Company falls in category of exemption given above, particulars of corporate governance disclosure are not applicable.

25. STATEMENT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 AND RULE 5(1) OF THE COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Disclosure required under section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration) Rules, 2014 have been annexed as Annexure-4.

Further, there is no employee of the Company drawing remuneration of Rs. 5 lacs per month or Rs. 60 lacs per annum.

26. OTHER MATTERS

Following are the other matters to be covered pursuant to Section 134(3) (q) of the Companies Act, 2013 read with Rules made thereunder:

1. Change in nature of business
 - There is no change in the nature of the business
2. Details of significant and material orders passed by the Regulators or courts or tribunals impacting the going concern status and company's operations in future
 - There is no significant and material orders passed by the Regulators, courts, or Tribunals
3. Adequacy of Internal Financial Controls with reference to Financial Statements
 - There is an adequate system in place for internal financial controls which commensurate with the working operations of the Company

27. DISCLOSURE IN RESPECT OF SCHEME FORMULATED UNDER SECTION 67(3) OF THE COMPANIES ACT, 2013

Since the Company has not formulated any scheme in terms of Section 67(3) of the Companies Act, 2013.

28. REVISION OF FINANCIAL STATEMENTS OR BOARD'S REPORT { Section 131 (1) S }

The Company has not made any modification or alteration in its Financial Statement / Board Report in respect of the last three financial years.

29. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013.

The Company has zero tolerance for sexual harassment at its workplace. The Company has adopted an Anti-harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No complaint is outstanding as on March 31, 2017 for redressal.

30. ACKNOWLEDGEMENTS

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your Company.

Date : 31-07-2017

Place : Vadodara

By Order of the Board
O. J. Bansal
Chairman & Managing Director
(DIN : 01488025)

Annexure to Boards' Report

FORM No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third provision is given below:

1. Details of contracts or arrangements or transactions not at arm's length basis:

Sr. No.	Particulars	Details
a)	Name(s) of the related party and nature of relationship	Nil
b)	Nature of contracts/arrangements/transactions	Nil
c)	Duration of the contracts / arrangements/transactions	Nil
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	Nil
e)	Justification for entering into such contracts or arrangements or transactions	Nil
f)	date(s) of approval by the Board	Nil
g)	Amount paid as advances, if any:	Nil
h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	Nil

2. Details of contracts or arrangements or transactions at arm's length basis:

Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts/ arrangement/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	date(s) of approval by the Board	Amount paid as advances, if any
Son of Managing Director	Mr. Somesh Bansal as CFO with yearly remuneration of Rs. 360000/-	01-04-2016 to 31-03-2017	Appointment as CFO with yearly remuneration of Rs. 360000/-	28-07-2014	---
Wife of Managing Director	Mrs. Sushila O. Bansal women director sitting fees of Rs. 5000	01-04-2016 to 31-03-2017	Mrs. Sushila O. Bansal women director sitting fees of Rs. 5000	28-07-2014	---

Date : 31-07-2017

Place : Vadodara

By Order of the Board
O. J. Bansal
Chairman & Managing Director
(DIN : 01488025)

**Form No. MGT-9
EXTRACT OF ANNUAL RETURN**

as on the financial year ended on March 31, 2017

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

i)	CIN	L51909GJ1993PLC019111
ii)	Registration Date	10/03/1993
iii)	Name of the Company	TOWA SOKKI LIMITED
iv)	Category / Sub-Category of the Company	Public Limited Company
v)	Address of the Registered Office and contact details	FF-6, Amrapali Apartment, Near Air Force Station, Makarpura, VADODARA – 390 014 Tele. Fax : 0265-2652851 E-mail : towasurvey@yahoo.co.in Website : www.towasokki.in
vi)	Whether listed company Yes / No	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Pvt. Ltd., C-101, 247 Park, LBS Marg, Vikhroli (West), MUMBAI – 400083 Phone: 022-49186000, Fax: 022-49186060 E-mail : mumbai@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated:

Sr. No.	Name and Description of main products / services	NIC Code of the Product / service	% of total turnover of the company
1	Automatic Level	9015	68.33%
2	Leveling Staves & Stand etc.	9620	10.35%
3	Job Work	--	21.32%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
	Nil	Nil	Nil	Nil	Nil

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Share Holding									
Category of Shareholder	No. of Shares held at the beginning of the year – 01-04-2016				No. of Shares held at the end of the year – 31-03-2017				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual / HUF	3290100	0	3290100	72.234	3290100	0	3290100	72.234	0
b) Central Govt. / State Govt(s)	0	0	0	0	0	0	0	0	0
c) FI / Banks	0	0	0	0	0	0	0	0	0
d) Any other (specify)	0	0	0	0	0	0	0	0	0
Sub-Total (A)(1)	3290100	0	3290100	72.234	3290100	0	3290100	72.234	0
(2) Foreign									
a) Individuals (NRI / Foreign Individuals)	0	0	0	0	0	0	0	0	0
b) Government	0	0	0	0	0	0	0	0	0
c) Institutions	0	0	0	0	0	0	0	0	0
d) Foreign Portfolio Investor	0	0	0	0	0	0	0	0	0
e) Any Other (specify)	0	0	0	0	0	0	0	0	0
Sub-Total (A)(2)	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter and Promoter Group (A) = (A)(1) + (A)(2)	3290100	0	3290100	72.234	3290100	0	3290100	72.234	0
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Venture Capital Funds	0	0	0	0	0	0	0	0	0
c) Alternate Investment Funds	0	0	0	0	0	0	0	0	0
d) Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0
e) Foreign Portfolio Investors	0	0	0	0	0	0	0	0	0

f) Financial Institutions / Banks	0	0	0	0	0	0	0	0	0
g) Insurance Companies	0	0	0	0	0	0	0	0	0
h) P F / Pension Funds	0	0	0	0	0	0	0	0	0
i) Any Other (Specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B)(1)	0	0	0	0	0	0	0	0	0
(2) Central Govt./ State Govt(s) / President of India	0	0	0	0	0	0	0	0	0
Sub-Total (B)(2)	0	0	0	0	0	0	0	0	0
(3) Non - institutions									
a) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh.	88698	444800	533498	11.713	50545	364400	414945	9.110	(2.603)
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	406600	322800	729400	16.014	446480	403200	849680	18.654	2.640
b) NBFCs registered with RBI	0	0	0	0	0	0	0	0	0
c) Employee Trusts	0	0	0	0	0	0	0	0	0
d) Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0	0	0	0	0	0
e) Any other (specify)									
Clearing Member	0	0	0	0	45	0	45	0.001	0.001
Bodies Corporate	1802	0	1802	0.039	30	0	30	0.001	(0.038)
Sub-Total (B)(3)	497100	767600	1264700	27.766	497100	767600	1264700	27.766	0
Total Public Shareholding (B) = (B)(1) + (B)(2) + (B)(3)	497100	767600	1264700	27.766	497100	767600	1264700	27.766	0

ii) Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year 01-04-2016			Shareholding at the end of the year 31-03-2017			% change in share holding during the year
		No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Omprakash J. Bansal	1066200	23.408	0	1066200	23.408	0	0
2	Satyanarayan J. Bansal	683400	15.004	0	683400	15.004	0	0
3	Sushila O. Bansal	641300	14.080	0	641300	14.080	0	0
4	Suman S. Bansal	792800	17.406	0	792800	17.406	0	0
5	Sushila R. Bansal	41600	0.913	0	41600	0.913	0	0
6	Murarilal Agarwal	500	0.011	0	500	0.011	0	0
7	Raksha Kumari Agarwal	21100	0.463	0	21100	0.463	0	0
8	Jaidevi Goyal	3000	0.066	0	3000	0.066	0	0
9	Bhavita O. Bansal	27200	0.597	0	27200	0.597	0	0
10	Preeti S. Bansal	10000	0.220	0	10000	0.220	0	0
11	Rameshchandra J. Bansal	3000	0.066	0	3000	0.066	0	0
	Total	3290100	72.234	0	3290100	72.234	0	0

(iii) Change in Promoters' Shareholding (Please specify, if there is no change) – No Change

Sr. No	Particulars	Shareholding at the beginning of the year 01-04-2016		Shareholding at the end of the year 31-03-2017		Cumulative Shareholding during the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	At the beginning of the year	3290100	72.234	3290100	72.234	3290100	72.234
2	Date wise increase / decrease in Promoters Shareholding during the year. Specify the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc.	Nil	Nil	Nil	Nil	Nil	Nil
3	At the end of the year	3290100	72.234	3290100	72.234	3290100	72.234

iv) Shareholding Pattern of top ten Shareholders (others than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
	For Each of the Top 10 Shareholders				
1	H.C. Goyal	48700	1.069	44700	0.981
2	Anil Gupta	40000	0.878	40000	0.878
3	Saroj Gupta	40000	0.878	40000	0.878
4	Mukesh B. Bansal	36200	0.795	36200	0.795
5	Vinita Goyal	30100	0.661	34100	0.749
6	Pramod Goyal	30100	0.661	34100	0.749
7	Bimla Agarwal	30000	0.658	34000	0.746
8	Kokila Goyal	30000	0.658	34000	0.746
9	Vijay Goyal	30000	0.658	34000	0.746
10	Manbhari Devi Agrawal	33000	0.725	33000	0.725
	Total	348100	7.641	364100	7.993

v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Name	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
			No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company
1	O.J. Bansal	Chairman & Managing Director	1066200	23.408	1066200	23.408
2	S.J. Bansal	Whole Time Director	683400	15.004	683400	15.004
3	Sushila O. Bansal	Women Director	641300	14.080	641300	14.080
	Total		2390900	52.492	2390900	52.492

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding deposits (Amt in Rs.)	Unsecured Loans (Amt in Rs.)	Deposits (Amt in Rs.)	Total Indebtedness (Amt in Rs.)
Indebtedness at the beginning of the financial year				
i) Principal Amount (Working Capital)	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil
Change in Indebtedness during the financial year				
- Addition	Nil	Nil	Nil	Nil
- Reduction	Nil	Nil	Nil	Nil
Net Change	Nil	Nil	Nil	Nil
Indebtedness at the end of the financial year	Nil	Nil	Nil	Nil
i) Principal Amount (Working Capital)	Nil	Nil	Nil	Nil
ii) Interest due but not paid	Nil	Nil	Nil	Nil
iii) Interest accrued but not due	Nil	Nil	Nil	Nil
Total (i+ii+iii)	Nil	Nil	Nil	Nil

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sr. No.	Particular of Remuneration	O.J. BANSAL Managing Director	S.J. BANSAL Whole-time Directors	Total Amount
	Gross Salary			
1.	(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	540000	540000	1080000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	Nil	Nil	Nil
	(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	Nil	Nil	Nil
2.	Stock Option	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil
4.	Commission			
	- as % of Profit	Nil	Nil	Nil
	- Others, Specify.....	Nil	Nil	Nil
5.	Others, please specify	Nil	Nil	Nil
	Total (A)	540000	540000	1080000

B. REMUNERATION TO OTHERS DIRECTORS

Particulars of Remuneration	Name of Directors			Total Amount
1. Independent Directors	H.R. Patel	H.L. Barot	G.C. Agarwala	
Fee for attending Board / Committee Meetings	5000	5000	4000	14000
Commission	0	0	0	0
Others, please specify	0	0	0	0
Total B (1)	5000	5000	4000	14000
2. Other Non-Executive Directors	S.O. Bansal	--	--	--
Fee for attending Board / Committee Meetings	5000	--	--	5000
Commission	Nil	--	--	Nil
Others, please specify	Nil	--	--	Nil
Total B (2)	5000	--	--	5000

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Particulars of Remuneration	Somesh Bansal CFO	Mrs. Vandana Yadav CS
Gross Salary		
(a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961	360000	186000
(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0
(c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	0	0
Stock Option	0	0
Sweat Equity	0	0
Commission		
- as % of Profit	0	0
- Others, specify....	0	0
Others, please specify	0	0
Total (A)	360000	186000

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty/Punishment/Compounding	Nil	Nil	Nil	Nil	Nil
B. DIRECTORS					
Penalty/Punishment/Compounding	Nil	Nil	Nil	Nil	Nil
C. OTHER OFFICERS IN DEFAULT					
Penalty/Punishment/Compounding	Nil	Nil	Nil	Nil	Nil

Date : 31-07-2017

Place : Vadodara

By Order of the Board
O. J. Bansal
Chairman & Managing Director
(DIN : 01488025)

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2017**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

Date: 31st July, 2017

To
The Members
Towa Sokki Limited
FF-6, Amrapali Apartment,
Near Air Force Station,
Makarpura, Vadodara – 390014

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by M/s Towa Sokki Limited (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minutes books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company, for the financial year ended on 31st March, 2017, according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment and External Commercial Borrowings. – Not Applicable to the Company during the Audit period;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act');
 - A. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - B. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - C. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009. - Not Applicable to the Company during the Audit Period;
 - D. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999. - Not Applicable to the Company during the Audit Period;

E. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008. - Not Applicable to the Company during the Audit Period;

F. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

G. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. - Not Applicable to the Company during the Audit Period;

H. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998. - Not Applicable to the Company during the Audit Period;

I have also examined compliance with the applicable clauses of the following:

I) Secretarial Standards issued by The Institute of Company Secretaries of India;

II) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

I further report that;

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least 7 days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

During the Audit period, all the decisions were taken by the Board of Directors or Committee of the Board without any dissent by any of the Directors of the Company as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

FOR HEMANG SHAH
PRACTICING COMPANY SECRETARY

HEMANG SHAH
PROPRIETOR
MEMBERSHIP NUMBER: A42892
COP NUMBER: 16114
PLACE: Vadodara
DATE: 31st July, 2017

Note: This report is to be read with my letter of even date which is annexed as Annexure and forms an integral part of this report.

Annexure to Secretarial Audit Report

Date: 31st July, 2017

To
The Members
Towa Sokki Limited
FF-6, Amrapali Apartment,
Near Air Force Station,
Makarpura, Vadodara – 390014

My report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. My responsibility is to express an opinion on these secretarial records based on My audit.
2. I have followed the audit practices and the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and the practices, I followed provided a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

FOR HEMANG SHAH
PRACTICING COMPANY SECRETARY

HEMANG SHAH
PROPRIETOR
MEMBERSHIP NUMBER: A42892
COP NUMBER: 16114
PLACE: Vadodara
DATE: 31st July, 2017

Statement pursuant to Section 197(12) of the Companies Act, 2013 and Rule 5(1) of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;

Name	Designation	Ratio
Mr. O.J. Bansal	Managing Director	Nil
Mr. S.J. Bansal	Whole Time Director	Nil

(ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

During the year the remuneration of Managing Director and Whole Time Director was increased by 100%. There was no increase in remuneration of Chief Financial Officer and Company Secretary the financial year.

(iii) The percentage increase in the median remuneration of employees in the financial year;

During the year the percentage increase in the median remuneration of employees as compared to previous year was Nil.

(iv) The number of permanent employees on the rolls of company;

The numbers of on-rolls permanent employees are 2 (excluding Directors).

(v) The explanation on the relationship between average increase in remuneration and company performance;

The increase in the remuneration was dependent upon the individual performance.

(vi) comparison of the remuneration of the Key Managerial Personnel against the performance of the company;

The details of remuneration to KMP's have been elaborated in Form No. MGT 9 annexed to the Board Report. The remuneration paid to all 4 KMPs aggregate to 105.87% of revenue. The net revenue during the year is 15.36 lakh.

vii) variations in the market capitalization of the company and price earnings ratio as at the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year;

Since there was very less trading in the shares during F.Y. 2016-17 and 2015-16 at BSE, where the shares are listed, details not generated. The closing price at BSE is Rs. 6.36 as on 31-03-2017 and Rs. 5.00 as on 31-03-2016.

(viii) Comparison of the remuneration of the Key Managerial Personnel against the performance of the company;

Particulars	Remuneration	% of Gross revenue	% of PBT
Mr. O.J. Bansal, M.D.	540000	35.16	In view of loss, Details not generated
Mr. S.J. Bansal, WTD	540000	35.16	
Mr. Somesh O. Bansal, CFO	360000	23.44	
Mrs. Vandana Yadav, CS	186000	12.11	

(ix) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;

Average increase in remuneration is Nil for Employees other than Managerial Personnel and Nil for Managerial Personnel.

(x) The key parameters for any variable component of remuneration availed by the directors;

The Managing Director and Whole Time Director was paid remuneration as approved by the Members in General Meeting. No other Director has received any remuneration other than sitting fees.

(xi) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year; and

No employee has received remuneration in excess of remuneration received by the Director.

(xii) Affirmation that the remuneration is as per the remuneration policy of the company.

The Board hereby affirms that the remuneration is as per the remuneration policy of the company

Management Discussion And Analysis

Overall review, Industry Structure and Developments

As mentioned in the Directors report, your Directors are hopeful of achieving a steady growth in sales and job work activity and resultant net margin in the years to follow. In the current scenario the Board believed that Indian market will offers the opportunities for the revival of the product.

Opportunities and Threat

The opportunities in the domestic market are large though at the moment it is also affected by the economic scenario the world over. But we believe it is a passing phase and the signs of recovery are already there. By the time the Company launches its plans it is expected that the economic recovery would be well on its way.

Segment wise Performance

The Company does not have multiple products / segments

Out look

The Board is positive on the future outlook of the company and is examining various business options.

Internal control System

Company at present has internal control procedures, which is commensurate with the present requirements. Internal controls are being monitored, reviewed and upgraded on an ongoing basis.

Human relations

The Board is keen to have a fully equipped HR Department, once the activity is started in a big way. During the year under review, the activities were in a minimal scale and manpower utilization was meager and so there was no need for such a department.

Financial performance with respect to operational performance

Particulars	(Amount in Rs.)	
	31-03-2017	31-03-2016
Total Income	1535861	1091480
Total Expenses	3441278	1563445
Earning before Interest, Tax & Depreciation	(1905417)	(471965)
Depreciation	207857	275668
Finance Costs	1201	3255
Profit / (Loss) Before Tax	(2114475)	(750888)
Provision for Tax	--	--
Profit / (Loss) after Tax	(2114475)	(750888)

Caution

The views expressed in the Management Discussions and Analysis are based on available information, assessments and judgment. They are subject to alterations. The Company's actual performance may differ due to national or international ramifications, government regulations, policies, Tax Laws, and other unforeseen factors over which the Company may not have any control.

B. Disclosures

(i) Related party Transactions

Sr. No.	Particulars of Party	Relationship	Nature of Transactions	Amount (Rs. in Lacs)	
				2016-17	2015-16
1.	Somesh O. Bansal	Son of Managing Director	Remuneration	360000	360000
2.	Mrs. Sushila O. Bansal	Wife of Managing Director	Director sitting fees	5000	5000

The Company does not have any related party transactions, which may have potential conflict with its interest at large.

In terms of Schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the Company is complying with the relevant Accounting Standards with reference to Related Party Disclosures. Further, the Company does not have any holding/ subsidiary and associate company and hence disclosure requirement under Para A.2 of Schedule V of the Regulations are not applicable. Policy dealing with related party transaction can be accessed at www.towasokki.in.

(ii) Cases of Non-Compliance

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any statutory authority on any matters related to capital markets during the last three years.

(III) Whistle Blower Policy / Vigil Mechanism

The Company has designed Whistle Blower Policy / Vigil Mechanism to enable any person dealing with the Company to raise the alarm to the Audit Committee of the Company if he has reliable information about a malpractice, unethical practice, impropriety, abuse or financial wrongdoing. The disclosure will be thoroughly investigated by the Committee. The members of the Committee may seek information from any sources inside and outside the organization to investigate this, as deemed fit.

Date : 31-07-2017
Place : Vadodara

By Order of the Board
O. J. Bansal
Chairman & Managing Director
(DIN : 01488025)

INDEPENDENT AUDITOR'S REPORT

To
The Members of TOWA SOKKI LIMITED,

We have audited accompanied Standalone Financial Statement of TOWA SOKKI LIMITED, (the Company) which comprises the Balance Sheet as at 31st March, 2017, the Statement of Profit & Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's responsibility for the Financial Statements:-

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone financial statements that gives 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 the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection & application of appropriate accounting policies; making judgments and estimates that are reasonable & prudent; and design, implementation and maintenance of adequate internal financial control, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparations and presentation of the Standalone financial statement that give a true & fair view and are free from the material misstatement, whether due to fraud or error.

Auditor's Responsibility:-

Our responsibility is to express an opinion on these Standalone financial statements based on our audit. We have taken in to account the provision of the Act, the accounting and the auditing standards and matter which are required to be included in the audit report under the provisions of the Act and the Rule made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone financial statements 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, of the state of affair of the Company as at 31st March, 2017 and its Losses and its cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements.

1. As required by the Companies (Auditor's Report) Order, 2016 ("the order"), issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, we enclose in the Annexure A statement on the matters specified in paragraphs 3 and 4 of the said Order,
2. As required by Section 143(3) of the Act, we report that :
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of 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 the books;
 - (c) The Balance Sheet and Profit and Loss Account and the cash flow statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet and Profit and Loss Account complies with the mandatory Accounting Standards referred to in Section 133 of the Companies Act, 2013, read with Rules 7 of the Companies (Account) Rules, 2014.
 - (e) On the basis of written representations received from the directors as on 31-03-2017 and taken on record by the Board of Directors, we report that none of the director is disqualified as on Balance Sheet date from being appointed as a Director in terms of Section 164(2) of the Companies Act, 2013.
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B; and
 - (g) With respect to the other matter to be include in the Auditor's Report in accordance with Rule 11 of the Companies Rules, 2014 in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have any pending litigation which could impact the financial position.
 - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - (iii) There has been no delay in transferring amounts, required to be transferred to Investor Education & Protection Fund by the Company.
 - (iv) The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 31 December 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management – Refer Note 30 to the financial statements;

Place : Mumbai
Date : 29th May, 2017

For BHAVAN PATEL & CO.
 CHARTERED ACCOUNTANTS
 (Firm Registration No. : 101362W)
B. H. PATEL
 Proprietor
 (Membership No. 36103)

ANNEXURE A

Re: Towa Sokki Ltd;

Referred to in paragraph 1 on Report on Other Legal and Regulatory Requirements on our report of even date, to the members of Towa Sokki Ltd., on Standalone financial statements.

(i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets, however, item wise value in respect of assets other than land buildings and vehicles prior to 1982 are not available.

(b) These fixed assets have been physically verified by management during the year as per the phased program of physical verification of fixed assets. As informed, the program is such that all the fixed assets will get physically verified in three year time. In our opinion the same is reasonable having regards to the size of the company and the nature of its fixed assets. No material discrepancies were noticed on such verification. However, during the year company has received earnest money amounting to Rs. 15500000/- against proposed sale of lease rights of land & factory Shed, pending execution of necessary documents.

(c) According to information & explanations given to us & on the basis of our examination of the records of the Company, the title deeds of the 1 immovable properties are held in the name of the company.

(ii) The inventory has been physically verified by the management at reasonable interval during the year and no material discrepancies were noticed on such physical verification.

(iii) During the year the company has not granted any loan, secured or unsecured to any companies, firms or parties covered in the register maintained under section 189 of the Act. Therefore, Para 3(III) of the Companies (Auditor's Report) Order 2016 is not applicable to the Company.

(iv) During the year Company has not granted any loans, made investments, issued guarantees and security. Therefore, Para 3(IV) of the Companies (Auditor's Report) order 2016 is not applicable to the Company.

(v) No deposits within the meaning of directives issued by RBI (Reserve Bank of India) and section 73 to 76 or any other relevant provisions of the Act & rules framed there under have been accepted by the Company.

(vi) According to information & explanations given to us, Central Government has not specified the maintenance of cost records under sub-section (i) 148 of the companies Act 2013. Such accounts and records has been made and maintained by the company.

(vii) The company is generally regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as applicable to the Company, with the appropriate authorities.

(viii) In our opinion & as per the information & explanations given to us the company has not defaulted in repayment of loans or borrowings due to banks or financial institution or government or debenture holders.

(ix) The company has not raised any money by way of Initial public offer or further public offer (including debt instruments). No term loans has been obtained during the year by the Company.

(x) According to information & explanations given to us, no fraud by the Company or on the Company by its officer or employees has been noticed or reported during the year.

(xi) As per the information & explanations given to us, the managerial remuneration paid or provided by the Company, for the year, is in accordance with the requisite approvals mandated by the provisions of Sec 197 read with the Schedule V to the Companies Act.

(xii) The provisions of Nidhi Company are not applicable to the Company. Therefore Para 3(XII) of the Companies (Auditor's Report) Order 2016 is not applicable to the Company.

(xiii) The provisions of the Sec 177 and 188 of the Act (to the extent applicable) in respect of the transactions with the related parties have been complied by the Company and the details have been disclosed in the Financial Statements, as required by the applicable accounting standards, Note 22 to the Financial Statements.

(xiv) During the year the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Therefore, Para 3(XIV) of the Companies (Auditor's Report) Order 2016 is not applicable to the Company.

(xv) According to information & explanations given to us, during the year, the Company has not entered in to any non cash transactions with directors or persons connected with him under section 192 of the Act. Therefore Para 3(XV) of the Companies (Auditor's Report) Order 2016 is not applicable to the Company.

(xvi) The Company is not required to be registered under Sec 451A of the Reserve Bank of India Act, 1934. Therefore, Para No 3(XVI) of the Companies Act (Auditor's Report) Order 2016 is not applicable to Company.

Place : Mumbai
Date : 29th May, 2017

For BHAVAN PATEL & CO.
CHARTERED ACCOUNTANTS
(Firm Registration No. : 101362W)
B. H. PATEL
Proprietor
(Membership No. 36103)

ANNEXURE B

Re: Towa Sokki Ltd;

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Towa Sokki Limited ("the Company") as of 31 March 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls:-

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility:-

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and standards on auditing issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting:-

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of

records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

Place : Mumbai

Date : 29th May, 2017

For BHAVAN PATEL & CO.
 CHARTERED ACCOUNTANTS
 (Firm Registration No. : 101362W)
B. H. PATEL
 Proprietor
 (Membership No. 36103)

BALANCE SHEET AS AT 31st MARCH, 2017

Rupees

Particulars	Note No.	As at 31-03-2017	As at 31-03-2016
EQUITY AND LIABILITIES			
Shareholders' Funds			
(a) Share Capital	2	64474500	64474500
(b) Reserves and Surplus	3	(11224293)	(9109818)
		<u>53250207</u>	<u>55364682</u>
Current Liabilities			
(a) Short-terms Borrowings	4	--	--
(b) Trade Payables	5	44681	59065
(c) Other Current Liabilities	6	15660130	41505
		<u>15704811</u>	<u>100570</u>
Total		<u>68955018</u>	<u>55465252</u>
ASSETS			
Non-Current Assets			
(a) Fixed Assets – Tangible Assets	7	3583735	3468944
(b) Loans and Advances	8	35910350	35924939
		<u>39494085</u>	<u>39393883</u>
Current Assets			
(a) Inventories	9	1416868	2326300
(b) Trade Receivable	10	13068537	13493187
(c) Cash and Bank Balance	11	14975528	251882
		<u>29460933</u>	<u>16071369</u>
Total		<u>68955018</u>	<u>55465252</u>
Significant Account Policies	1		

The accompanying notes are an integral part of the financial statement

As per our report of even date attached
For BHAVAN PATEL & CO.
Chartered Accountants
(Firm Registration No.: 101362W)

B.H. PATEL
Proprietor
(Membership No. 36103)

Place : Mumbai
Date : 29th May 2017

For and on behalf of the Board of Directors

S.J. Bansal
Director

Somesh O. Bansal
CFO

Place : Vadodara
Date : 29th May 2017

S.O. Bansal
Director

Vandana Yadav
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2017

Rupees

Particulars	Note No.	2016-17	2015-16
INCOME			
Revenue from Operations (Net)	12	1314250	1079145
Other Income	13	221611	12335
Total Revenue		1535861	1091480
EXPENSES			
Cost of Raw Materials Consumed	14	136500	112600
Purchase of Traded Goods		105126	17000
(Increase) / Decrease of Inventories of Finished Goods	15	772932	219410
Employee Benefit Expenses	16	547200	547386
Other Expenses	17	1879520	667049
Total Expenses		3441278	1563445
Earning before Interest, Tax & Depreciation		(1905417)	(471965)
Depreciation	18	207857	275668
Finance Costs	19	1201	3255
Profit / (Loss) before Tax		(2114475)	(750888)
Tax Expenses		--	--
Profit / (Loss) for the Year		(2114475)	(750888)
Earning Per Equity Share (Face Value of Rs. 10 each)			
Basic & Diluted before Exceptional item		(0.46)	(0.16)
Basic & Diluted after Exceptional item		(0.46)	(0.16)

As per our report of even date attached

For BHAVAN PATEL & CO.

Chartered Accountants

(Firm Registration No.: 101362W)

B.H. PATEL

Proprietor

(Membership No. 36103)

Place : Mumbai

Date : 29th May 2017

For and on behalf of the Board of Directors

S.J. Bansal

Director

S.O. Bansal

Director

Somesh O. Bansal

CFO

Date : 29th May 2017

Vandana Yadav

Company Secretary

Place : Vadodara

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2017

Rupees

Particulars	2016-17	2015-16
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) before Tax	(2114475)	(750888)
Adjustments for:		
Depreciation	207857	275668
Interest and Finance charges Paid	1201	3255
Interest Received	(221611)	--
	(2127028)	(471965)
Operating Profit Before Working Capital Changes		
Adjustments for Change in Working Capital & Provisions		
(Increase) / Decrease in Trade Receivables	424650	(362823)
(Increase) / Decrease in Inventories	909432	332010
(Increase) / Decrease in Short Term Advances	14589	22135
Increase / (Decrease) in Liabilities	15618625	(20796)
Increase / (Decrease) in Trade Payables	(14384)	428
Net Cash Flow From Operating Activities	14825884	(501011)
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(322648)	--
Interest Received	221611	--
Net Cash Flow From Investing Activities	(101037)	--
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Interest and Finance Charges Paid	(1201)	(3255)
Increase / (Decrease) in Short Term Borrowings	--	--
Allotment Money Received	--	2500
Net Cash Used in Financial Activities	(1201)	(755)
Net Cash Outflow During the Year	14723646	(501766)
Cash & Cash Equivalents at the beginning of the year	251882	753648
Cash & Cash Equivalents at the end of the year	14975528	251882

The above Cash Flow statement has been prepared under the "Indirect Method" set out in Accounting Standard 3 on Cash Flow Statement by the ICAI

As per our report of even date attached
For BHAVAN PATEL & CO.
Chartered Accountants
(Firm Registration No.: 101362W)

For and on behalf of the Board of Directors

S.J. Bansal
Director

S.O. Bansal
Director

B.H. PATEL
Proprietor
(Membership No. 36103)
Place : Mumbai
Date : 29th May 2017

Somesh O. Bansal
CFO

Vandana Yadav
Company Secretary
Place : Vadodara

Date : 29th May 2017

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

Corporate Information

Towa Sokki Limited is a public limited company domiciled in India and incorporated under the Companies Act, 1956. Equity shares of the company are listed in Bombay Stock Exchange Limited in India. The Company is engaged in manufacturing and selling of Survey Instruments.

Note 1 – Basis of Accounting

- i) The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles to company with the applicable Accounting Standards as prescribed under section 133 of the Companies Act, 2013 read with Companies (Indian Accounting Standards) Rules, 2015.
- ii) The Company generally follows the mercantile system of accounting and recognizes significant items of income and expenditure on accrual basis.
- iii) Use of estimates: The preparation of financial statements in conformity with generally accepted accounting principles in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements.

1.1 Summary of Significant Accounting Policies

i) Fixed Assets :

- a) Fixed Assets are shown at cost of acquisition including direct material, labour and overheads if any, less accumulated depreciation and less sold during the year.
- b) Works under erection / installation / execution for capital works are shown as "Capital Advances and includes interest on borrowings and advances to suppliers etc.

ii) Inventories :

- a) Raw Materials, Stores & Spares are valued at cost.
- b) Finished Goods are valued at cost or market value whichever is lower. Stock of purchased items traded is valued as lower of the landed cost or recognized value.

iii) Depreciation:

- a) Depreciation on all fixed assets is provided on "Straight Line Method" on the basis of useful life of the assets as prescribed at the rates specified in the Schedule II to the Companies Act, 2013. Depreciation on additions to fixed assets is charged on recognized basis.
- b) Depreciation in respect of assets acquired and put to use for implementation of the new project is grouped under Pre-Operative Expenses.

iv) Encashment Of Leave and Other Retirement Benefits :

The company extends benefit of encashment of leave to its employees while in service as well as on retirement. Encashment of leave accumulated while in service is generally accounted when paid on yearly basis. Further, any liability on this account is recognized only when claim is received. Other retirement benefits such as Gratuity etc. are recognized only when the liability for such payments arises.

v) Accounting For Miscellaneous Expenditure :

Preliminary Expenses (for New Project) and Share Capital Expenses / Public Issue Expenses (for New Project) will be amortized over the period of ten years from the year in which the commencement of commercial production (for New Project) is started.

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

Particulars	As at 31-3-2017		As at 31-3-2016	
	No. of Shares	Rupees	No. of Shares	Rupees
Note 2 – Shareholders' Fund				
Authorised				
Equity Shares of Rs. 10 each with voting rights	9000000	90000000	9000000	90000000
Issued				
Equity Shares of Rs. 10 each with voting rights	8340100	83401000	8340100	83401000
Subscribed and fully paid up				
Equity Shares of Rs. 10 each with voting rights	4554800	45548000	4554800	45548000
Shares forfeited account	--	18926500	--	18926500
	4554800	64474500	4554800	64474500

Reconciliation of the number of shares and amount outstanding at the beginning and at end of the reporting period:

Particulars	Opening Balance	Additions / (Deductions)	Closing Balance
Equity Shares with voting rights			
Year ended 31 st March, 2017			
No. of Shares	4554800	--	4554800
Amount (Rupees)	45548000	--	45548000
Year ended 31 st March, 2016			
No. of Shares	4554800	--	4554800
Amount (Rupees)	45548000	--	45548000

2.2 Terms / rights attached to equity shares

The company has only one class of equity shares having face value of Rupees 10 per share. Each holder of fully paid up equity shares is entitled to one vote per share.

2.3 Details of shares held by each shareholder holding more than 5% shares

Class of shares / Name of shareholder	As at 31-3-2017		As at 31-3-2016	
	No. of Shares	%	No. of Shares	%
Equity Shares with voting rights				
O.J. Bansal	1066200	23.41	1066200	23.41
S.J. Bansal	683400	15.00	683400	15.00
S.O. Bansal	641300	14.08	641300	14.08
S.S. Bansal	792800	17.41	792800	17.41

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

	Rupees	
Particulars	As at 31-3-2017	As at 31-3-2016
Note 3 – Reserves and Surplus		
a. Capital Reserve		
Balance as per last Financial Statements	715334	715334
b. General Reserve		
Balance as per last Financial Statements	37000	37000
Closing Balance	752334	752334
c. Surplus in the Statement of Profit and Loss		
Balance as per last Financial Statements	(9862152)	(9111264)
Profit / (Loss) for the year	(2114475)	(750888)
Net Surplus in the Statement of Profit and Loss	(11976627)	(9862152)
Total	(11224293)	(9109818)
Note 4 – Short Term Borrowings		
Deposits from others – Unsecured	--	--
Deposits from Directors – Unsecured	--	--
Total	--	--
Note 5 – Trade Payables		
Due to Micro, Small and Medium Enterprises	--	--
Due to Others	44681	59065
Total	44681	59065
Note 6 – Other Current Liabilities		
Statutory Liabilities		
VAT Payable	24630	11305
Professional Tax Deducted From Salary	--	200
Others		
Directors Salary Payable	90000	--
Salary Payable	45500	30000
Advance Received against sale of Land & Factory	15500000	--
Total	15660130	41505

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

Note 7 – Fixed Assets (Tangible Assets)							Amount in Rupees	
	GROSS BLOCK (AT COST)			DEPRECIATION			NET BLOCK	
Description	As at 1-04-2016	Addition / (Deduction) during the year	As at 31-03-2017	As at 1-04-2016	Provided during the year	As at 31-03-2017	As at 31-03-2017	As at 31-03-2016
Land	2177315	--	2177315	--	--	--	2177315	2177315
Factory Shed	2267523	322648	2590171	1457848	104535	1562383	1027788	809675
G.I.D.C. Flats	383246	--	383246	128197	6048	134245	249001	255049
Machinery	693507	--	693507	658832	--	658832	34675	34675
Electrical Installation	91275	--	91275	86711	--	86711	4564	4564
Office Equipments	201804	--	201804	185257	6457	191714	10090	16547
Furniture & Fixtures	211261	--	211261	211261	--	211261	--	--
Computer System	146800	--	146800	139460	--	139460	7340	7340
Vehicles	1111042	--	1111042	947263	90817	1038080	72962	163779
Current Year Total	7283773	322648	7606421	3814829	207857	4022686	3583735	3468944
Previous Year Total	7283773	--	7283773	3539161	275668	3814829	3468944	3744612

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

	Rupees	
Particulars	As at 31-3-2017	As at 31-3-2016
Note 8 – Loans and Advances		
(Unsecured, considered good)		
Capital Advances	21819548	21819548
Rent Deposit	12000	30000
Other Loans and Advances		
Advance Tax (TDS)	42887	21836
Central Depository Services India Ltd.	115	--
Balance with Central Excise	--	17755
Misc. Expenses	3576388	3576388
Preliminary Expenses (Project)	40000	40000
Pre-Operative Expenses	10419412	10419412
Total	35910350	35924939
Note 9 – Inventories (At lower of Cost or Net Realisable Value)		
Raw Materials	791000	927500
Finished Goods	625868	1398800
Total	1416868	2326300
Note 10 – Trade Receivables		
(Unsecured, considered good)		
Trade receivables due for more than six months	3688203	4170878
Others	9380334	9322309
Total	13068537	13493187
Note 11 – Cash and Bank Balances		
Cash and Cash Equivalents		
Cash on Hand	287752	124928
Balances with Banks		
On Current Accounts	2590102	126954
Deposits with maturity of less then 3 months	--	
Deposits with maturity between 3 to 12 months	12097674	
Total	14975528	251882
Note 12 – Revenue from Operations		
Sale of Products		
Finished Goods	1034000	537500
Job Work	280250	541645
Net Sales	1314250	1079145
Details of Product Sold		
Automatic Levels	898000	382000
Others	136000	155500
Total	1034000	537500

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

	Rupees	
Particulars	As at 31-3-2017	As at 31-3-2016
Note 13 – Other Income		
Interest Income on		
Bank Deposits	221611	10854
Others	--	1481
Total	221611	12335
Note 14 – Cost of Raw Material & Components Consumed		
Inventory at the beginning of the year	927500	1040100
Add : Purchases	--	--
Total	927500	1040100
Less : Inventory at the end of the year	791000	927500
Total	136500	112600
Details of Raw Material & Components Consumed		
Instrument box	9625	7700
Main spindle	11250	9000
Objective frame	9500	7600
Erect tube	8125	6500
Compensator	70000	56000
Telescope body	17000	17000
Others	11000	8800
Total	136500	112600
Details of Raw Material & Components Consumed		
Imported items	--	--
% of RMC	--	--
Indigenous items	136500	112600
% of RMC	100%	100%
Total	136500	102600
Note 15 – (Increase) / Decrease in Inventories		
Inventories at the end of the year – Finished Goods	625868	1398800
Inventories at the beginning of the year – Finished Goods	1398800	1618210
(Increase) / Decrease in Inventories	772932	219410
Note 16 – Employees Benefit Expenses		
Salary, Wages & Bonus	546000	546000
Staff Welfare Expenses	1200	1386
Total	547200	547386

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

	Rupees	
Particulars	As at 31-3-2017	As at 31-3-2016
Note 17 – Other Expenses		
Power and Electricity	17565	11340
Freight and Octroi	3430	--
Office Expenses	9641	8043
Printing and Stationery	7507	2699
Vehicle running and maintenance (Motor Car)	42242	25370
Vehicle running and maintenance (Scooter)	9190	5200
Professional and other charges	204250	139250
Post and Telegram	5844	11938
Audit Fees	23000	22900
Travelling Expenses	--	950
Advertisement and Publicity	33678	18686
Building Repairs	558	432
Telephone Expenses	28382	29976
Rent	6000	--
Books and Periodicals	1300	1430
Electrical Repairs	--	200
Insurance Expenses	25226	22219
Filing Fees	10000	10800
Computer Consumables	7450	8330
Professional Tax	2400	2400
Directors' Salary	1080000	--
Listing Fees	241650	277386
License Fees	--	530
Annual Custody Fees	68701	--
Municipal Taxes	32506	32506
GIDC Misc. Charges	--	2350
Directors' Sitting Fees	19000	21000
Donation Expenses	--	11000
Consumable Stores	--	114
Total	1879520	667049
Payment to Auditors		
Statutory Audit Fee	23000	22900
Total	23000	22900
Note 18 - Depreciation		
Depreciation – Tangible Assets	207857	275668
Total	207857	275668

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

Rupees

Particulars	As at 31-3-2017	As at 31-3-2016
Note 19 – Financial Cost		
Bank Charges	1201	3255
Total	1201	3255

Note 20 – Earning Per Share

	2016-17	2015-16
Profit available for Equity Shareholder - Rupees	(2115725)	(750888)
Weighted average paid-up Equity Shares - Numbers	4554800	4554800
Earning Per Equity Share (Basic and Diluted) - Rupees	(0.46)	(0.16)
Nominal Value of Equity Share - Rupees	10	10

Note 21 – Segment Information

The Company has identified manufacturing and trading of Survey Instruments as its sole primary Segment. Thus the disclosure requirements as set out in Accounting Standard 17 (AS-17) "Segment Reporting" are not applicable.

Note 22 - Related Party Disclosures

i) Key Management Personnel had logged on to

Name	Relationship
O.J. Bansal	Managing Director
S.J. Bansal	Director

ii) Name of Related Party and Nature of Relationship	Nature of Transaction	2016-17 Rupees	2015-16 Rupees
Mr. Somesh O. Bansal (Son of Managing Director)	Salary	360000	360000
Mrs. Sushila O. Bansal (Wife of Managing Director)	Sitting Fees	5000	5000

iii) Remuneration to Key Management Personnel

Name	Remuneration (Rupees)	
	2016-17	2015-16
O.J. Bansal	540000	--
S.J. Bansal	540000	--

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

Note 23 – Capital and other commitments

Estimated amounts of contracts remaining to be executed on capital account & not provided for net of advance Rs. 1.24 lacs (Previous year Rs. 1.39 lacs)

Note 24 - The Company has made Public Issue of Equity Shares in the year 1995-96 and the total expenditure of Rs. 35.76 lacs incurred on the said issue has been treated as Deferred Revenue Expenditure and shown under the head of "Miscellaneous Expenditure"

Note 25 – The details of amounts outstanding to Micro, Small and Medium Enterprises based on available information with the company is as under:

Particulars	As at 31-3-2017	As at 31-3-2016
Principal amount due and remaining unpaid	--	--
Interest due on above and unpaid interest	--	--
Interest paid	--	--
Payment made beyond the appointed day during the year	--	--
Interest due and payable for the period of delay	--	--
Interest accrued and remaining unpaid	--	--
Amount of further interest remaining due and payable in succeeding years	--	--

Note 26 - The tax effect of the carried forward loss as tax assets in accordance with the AS-22 "Accounting for Taxes on Income" has not been reckoned in the books of accounts for the year under review in view of the perception of the management that such asset may not be realized within the applicable / reasonable time limit.

Note 27 - In the opinion of the management, there are no indications, internal or external which could have the effect of impairment of the assets of the Company to any material extent as at the Balance Sheet date, which requires recognition in terms of Accounting Standard 28 (AS-28) on "Impairment of Assets". However during the year company has received earnest money amounting to Rs. 15500000/- against proposed sale of lease rights of land & factory Shed, pending execution of necessary documents.

Note 28 - CIF Value of Imports, Expenditure and Earnings in Foreign Currency:

Particulars	Rupees	
	2016-2017	2015-2016
Import of Raw Materials, Spares and components	NIL	NIL
Expenditure in Foreign Currency	NIL	NIL
Earning in Foreign Exchange	NIL	NIL

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2017

Note 29 – Balance under Trade Receivable, Trade Payable, Loans & Advances Payable or Receivable are subject to confirmation.

Note 30 – Information regarding Specified Bank Notes (SBN)

	Specified Bank Notes	Other Bank Notes	Total
Closing Cash on Hand as on 08/11/2016	185000	121967	306967
Permitted Receipts	--	68625	68625
Permitted Payment	--	14381	14381
Amount Deposited	185000	--	185000
Closing Cash on Hand as on 31/12/2016	--	176211	176211

Note 31 - Previous years figures have been regrouped and reclassified wherever necessary to be in conformity with the figures of the current year which is as per Revised schedule VI.

As per our report of even date attached

For BHAVAN PATEL & CO.

Chartered Accountants

(Firm Registration No.: 101362W)

B.H. PATEL

Proprietor

(Membership No. 36103)

Place : Mumbai

Date : 29th May 2017

For and on behalf of the Board of Directors

S.J. Bansal

Director

Somesh O. Bansal

CFO

Place : Vadodara

Date : 29th May 2017

S.O. Bansal

Director

Vandana Yadav

Company Secretary

TOWA SOKKI LIMITED

Registered Office : FF-6, Amrapali Apartment, Near Air Force Station, Makarpura, Vadodara – 390 014

CIN : L51909GJ1993PLC019111

Tel / Fax : 0265-2652851 E-mail : towasurvey@yahoo.co.in Website : www.towasokki.in

FORM No. MGT-12: Polling Paper/ Ballot Form/ Attendance Form

(TO BE USED BY SHAREHOLDERS PERSONALLY PRESENT/THROUGH PROXY AT THE MEETING AND HAVE NOT OPTED FOR E-VOTING)

[Persuant to Section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rule, 2014]

Note : This ballot paper duly filled is to be submitted by the Members of the Company attending AGM in person/ proxy during Poll as ordered by the chairman of the Company on Friday, 29th September, 2017. The Members can participate in Poll only if they have not exercised their vote electronically.

TOWA SOKKI LIMITED

Registered Office: FF-6, Amrapali Apartment, Near Air Force Station, Makarpura, Vadodara – 390 014

BALLOT PAPER

Sr. No.	Particulars	Details
1	Name of the first Named Shareholder (In block Letters)	
2	Postal Address	
3	Registered Folio No. / *Client Id No.	
4	Number of Shares : Class : Equity Shares	

(* Applicable to investors holding shares in dematerialized form)

I hereby exercise my vote in respect of Ordinary Resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

No.	Item No.	No of Shares Held	I asset to the resolution (Yes in favor)	I Dissent from the resolution (Not in favor)
	Ordinary Resolution			
1	Approval of Financial Statements for the year ended 31-03-2017			
2	Re-appointment of Smt. Sushila O. Bansal as director liable to retire by rotation			
3	Appointment of Statutory Auditors			

Place : Vadodara

Date ;

Signature of shareholder

TOWA SOKKI LIMITED

Registered Office : FF-6, Amrapali Apartment, Near Air Force Station, Makarpura, Vadodara – 390 014

CIN : L51909GJ1993PLC019111

Tele / Fax : 0265-2652851 E-mail : towasurvey@yahoo.co.in Website : www.towasokki.in

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member (s) :	
Registered Address :	
Email ID :	
Folio No. / DP & Client ID	

I/We, being the member (s) of _____ shares of the above named Company, hereby appoint

- Name : _____

Address : _____

Email Id : _____

Signature : _____ or failing him
- Name : _____

Address : _____

Email Id : _____

Signature : _____ or failing him
- Name : _____

Address : _____

Email Id : _____

Signature : _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25th Annual General Meeting of Towa Sokki Limited to be held on Friday, 29th day of September, 2017 at 10:00 a.m. at Ground Floor, Shree kunj Residency, Opp. Voltamp Transformers, Near Rajput Bhavan, Maneja, Vadodara – 390013, and at any adjournment hereof in respect of such Resolutions as are indicated below:

	Ordinary Resolution
1	Approval of Financial Statements for the year ended 31-03-2017
2	Re-appointment of Smt. Sushila O. Bansal as director liable to retire by rotation
3	Appointment of Statutory Auditors

Signed this _____ day of _____, 2017.

Signature of shareholder

Signature of Proxy holder(s)

Rs. 1.00
Revenue
Stamp

Note: 1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

2. For the resolutions, Explanatory Statement and Notes please refer Notice of the Annual General Meeting.

TOWA SOKKI LIMITED

Registered Office : FF-6, Amrapali Apartment, Near Air Force Station, Makarpura, Vadodara – 390 014

CIN : L51909GJ1993PLC019111

Tele / Fax : 0265-2652851 E-mail : towasurvey@yahoo.co.in Website : www.towasokki.in

ATTENDANCE SLIP

Name and Address of Shareholder	
No. of Shares	
Folio No. / Client ID	

I / We, hereby record my / our attendance at the Twenty Fifth Annual General Meeting at 10:00 a.m. on Friday, 29th September, 2017 at Ground Floor, Shreekunj Residency, Opp. Voltamp Transformers, Near Rajput Bhavan, Maneja, Vadodara – 390013

Signature of Shareholder or Proxy _____

E-mail address _____

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report at the meeting.

PRINTED MATTER

To,

If Undelivered Please Return to :



Towa Sokki Limited

Regd. Office : FF-6, Amrapali Apartment, Near Air Force Station,
Makarpura, VADODARA – 390 014

CIN : L51909GJ1993PLC019111 * Tele. Fax : 0265-2652851
E-mail : towasurvey@yahoo.co.in * Website : www.towasokki.in