



**TODAYS**

**Today's Writing Instruments Ltd.**

Corporate Identification No. : L74999DN1992PLC000041

**Date: 29<sup>th</sup> July, 2016**

**2) NATIONAL STOCK EXCHANGE OF INDIA LTD**  
**EXCHANGE PLAZA**  
**BANDRA KURLA COMPLEX**  
**BANDRA (E)**  
**MUMBAI - 400 051**

## TODAYS

Dear Sir,

**Re: Statement of Impact of Audit Qualification**

In pursuance of BSE circular no. DCS/COMP/042016-17 and NSE circular no. NSE/CML/2016/09 dated 1<sup>st</sup> June, 2016 we hereby submit the Statement of Impact of Audit Qualification (for audit report with modified opinion) for standalone and consolidated Annual Financial results for the year ended 31<sup>st</sup> March, 2016.

Request you to take the same on record.

## Thanking You.

Sincerely,

**For Todays Writing Instruments Ltd**

Usafurahi  
Compliance Officer



Encl: As above



**Regd. Office & Factory :** Survey No. 251/2, Valsad Falia, Dadra - 396193. D&NH (U.T.). INDIA

Tel : 91-260-2669818/ 819/ 820, Fax : 91-260-2668536.

**Corporate Office :** 201, Hari Om Chambers, B-16, New Link Rd., Andheri (W), Mumbai - 400053, INDIA.

Tel. : 91-22-6695 4900, Fax : 91-22-6695 4910. Email: [todays@todays-pens.com](mailto:todays@todays-pens.com), Website : [www.todays.co.in](http://www.todays.co.in)

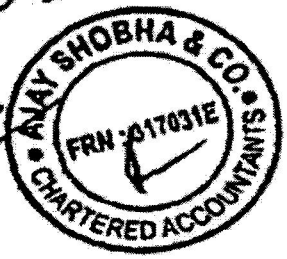
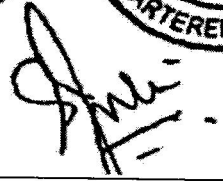
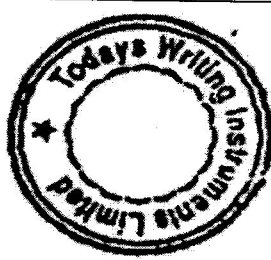
Corporate Identification No. : L74999DN1992PLC000041

**Today's Writing Instruments Ltd.**

**Statement on Impact of Audit Qualifications (for audit report with modified opinion)  
submitted along-with Annual Audited Financial Results –STANDALONE**

| Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2016<br>(Rs. in Lacs) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                     |                                                                            |                                                                                |
|----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|----------------------------------------------------------------------------|--------------------------------------------------------------------------------|
| I.                                                                                                       | Sl. No.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Particulars                                                         | Audited Figures<br>(as reported<br>before adjusting<br>for qualifications) | Adjusted Figures<br>(audited figures<br>after adjusting for<br>qualifications) |
|                                                                                                          | 1.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Turnover / Total income                                             | 5331.97                                                                    | 5331.97                                                                        |
|                                                                                                          | 2.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Total Expenditure                                                   | 5714.26                                                                    | 5710.19                                                                        |
|                                                                                                          | 3.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Net Profit/(Loss)                                                   | (2402.05)                                                                  | (2397.98)                                                                      |
|                                                                                                          | 4.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Earnings Per Share                                                  | (18.75)                                                                    | (18.751)                                                                       |
|                                                                                                          | 5.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Total Assets                                                        | 5416.37                                                                    | 5416.37                                                                        |
|                                                                                                          | 6.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Total Liabilities                                                   | 5416.37                                                                    | 5416.37                                                                        |
|                                                                                                          | 7.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Net Worth                                                           | (18397.86)                                                                 | (18393.79)                                                                     |
|                                                                                                          | 8.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Any other financial item(s) (as felt appropriate by the management) | NIL                                                                        | NIL                                                                            |
| II.                                                                                                      | <b>Audit Qualification (each audit qualification separately):</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                     |                                                                            |                                                                                |
| a.                                                                                                       | <b>Details of Audit Qualification:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                     |                                                                            |                                                                                |
|                                                                                                          | <p>1. The Auditor has made comment vide point (a) of emphasis matter of Auditor's Report that the accounts of the Company have been prepared on a going concern basis though the accumulated losses of the Company have exceeded its net worth.</p> <p>2. The Auditor has made comment vide point (b) of emphasis matter of Auditor's Report that the balance confirmation from debtors, creditors, advances, secured and unsecured lenders etc. are generally not received and accordingly not reconciled/confirmed.</p> <p>3. The Auditor has made comment vide point (c ) of emphasis matter of Auditor's Report that the provision of interest on loans from banks and financial institution are provided as per the earlier CDR scheme and not as per the sanction terms of the banks &amp; financial institution even though the CDR scheme sanction of consortium Banks has been cancelled.</p> <p>4. The Auditor has made comment vide point (d ) of emphasis matter of Auditor's Report that Retirement benefits of employees in respect of Gratuity and leave encashment are accounted for on payment basis which is not in conformity with Accounting Standard (AS) 15 prescribed by ICAI.</p> <p>5. The Auditor has made comment vide point vii (a) of annexure to Auditor's report that the Company is not regular in depositing the undisputed statutory dues of Provident fund, income tax, service tax , sales tax, excise duty and VAT etc. on time and there are serious delays.</p> |                                                                     |                                                                            |                                                                                |

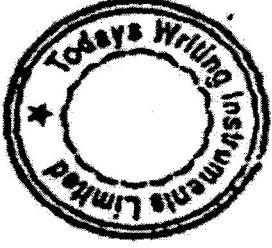
|    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
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| b. | <b>Type of Audit Qualification:</b> Qualified Opinion                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| c. | <b>Frequency of Qualification:</b> Repetitive since more than four years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| d. | <b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's views:</b> N.A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| e. | <b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|    | <p><b>(i) Management's estimation on the impact of audit qualification:</b> The impact of accounting retirement benefits of employees in respect of Gratuity and leave encashment on an actuarial basis as against the payment basis mentioned under qualification no. (4) results into reduction of the losses of the Company for an amount of Rs. 4.07 lacs. The said impact has been derived after getting a valuation done from Life Insurance Corporation of India.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|    | <p><b>(ii) If management is unable to estimate the impact, reasons for the same:</b></p> <ol style="list-style-type: none"> <li>1. The assessment pertains to the reasons for treating the company as a going concern. If the said treatment is not given the method of accounting would be completely different and the impact can be assessed only if such an exercise is carried out. At this juncture such an exercise is not relevant. Hence, the impact cannot be quantified.</li> <li>2. Here the qualification is a statement of fact and the management is of the view that all the balances are correct and they are running accounts which are periodically reconciled. Hence, the impact is nil.</li> <li>3. The company has entered in to a settlement with the secured lenders and filed a DRS with the operating agency. The interest rates are accounted on the basis of the CDR scheme where the lenders agreed to a particular rate. Once the lenders decided on an OTS the application of interest has no relevance as in most cases it is waived. Further, after the account has turned NPA none of the banks have been giving us statement with the interest amount. Further, as the contracted document rate is based on PLR we have no method of verifying the changes periodically in PLR and calculate based on the same as the banks have stopped advising us the changes in their PLR after the account turned NPA.</li> <li>4. Being a Company declared Sick by the Board for Industrial and Financial Reconstruction, we have sought waiver for payment of interest/penalty on the unpaid statutory dues and therefore the same has not been accounted for in the books of accounts. As a result, we are unable to quantify the impact of the qualification mentioned in point (5) on the financials of the Company.</li> </ol> |
|    | <b>(iii) Auditor's comments on (i) or (ii) above:</b> The Auditor has not further comments.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
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|------|---------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| III. | Signatories:                                                                                            |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|      | <p>CEO/Managing Director:</p> <p>CFO:</p> <p>Statutory Auditor:</p> <p>Audit Committee Chairperson:</p> | <div data-bbox="646 313 710 347" style="text-align: center;">—</div> <div data-bbox="662 369 957 459" style="text-align: center;">R. Desai</div> <div data-bbox="598 459 710 638" style="text-align: center;">  </div> <div data-bbox="694 436 981 694" style="text-align: center;">  </div> <div data-bbox="614 638 837 817" style="text-align: center;">  </div> <div data-bbox="1189 257 1460 515" style="text-align: right;">  </div> |

**Statement on Impact of Audit Qualifications (for audit report with modified opinion)  
submitted along-with Annual Audited Financial Results –CONSOLIDATED**

| Statement on Impact of Audit Qualifications for the Financial Year ended March 31, 2016<br>(Rs. in Lacs) |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |                                                                     |                                                                            |                                                                                |
|----------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------|----------------------------------------------------------------------------|--------------------------------------------------------------------------------|
| I.                                                                                                       | Sl. No.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                | Particulars                                                         | Audited Figures<br>(as reported<br>before adjusting<br>for qualifications) | Adjusted Figures<br>(audited figures<br>after adjusting for<br>qualifications) |
|                                                                                                          | 1.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Turnover / Total income                                             | 5331.97                                                                    | 5331.97                                                                        |
|                                                                                                          | 2.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     | Total Expenditure                                                   | 5714.26                                                                    | 5710.19                                                                        |
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| II.                                                                                                      | <b>Audit Qualification (each audit qualification separately):</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                      |                                                                     |                                                                            |                                                                                |
| a.                                                                                                       | <b>Details of Audit Qualification:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |                                                                     |                                                                            |                                                                                |
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|    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |
|----|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| b. | <b>Type of Audit Qualification:</b> Qualified Opinion                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                        |
| c. | <b>Frequency of Qualification:</b> Repetitive since more than four years                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| d. | <b>For Audit Qualification(s) where the impact is quantified by the auditor, Management's views:</b> N.A                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                     |
| e. | <b>For Audit Qualification(s) where the impact is not quantified by the auditor:</b>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                         |
|    | <p><b>(i) Management's estimation on the impact of audit qualification:</b> The impact of accounting retirement benefits of employees in respect of Gratuity and leave encashment on an actuarial basis as against the payment basis mentioned under qualification no. (4) results into reduction of the losses of the Company for an amount of Rs. 4.07 lacs. The said impact has been derived after getting a valuation done from Life Insurance Corporation of India.</p>                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                 |
|    | <p><b>(ii) If management is unable to estimate the impact, reasons for the same:</b></p> <ol style="list-style-type: none"> <li>1. The assessment pertains to the reasons for treating the company as a going concern. If the said treatment is not given the method of accounting would be completely different and the impact can be assessed only if such an exercise is carried out. At this juncture such an exercise is not relevant. Hence, the impact cannot be quantified.</li> <li>2. Here the qualification is a statement of fact and the management is of the view that all the balances are correct and they are running accounts which are periodically reconciled. Hence, the impact is nil.</li> <li>3. The company has entered in to a settlement with the secured lenders and filed a DRS with the operating agency. The interest rates are accounted on the basis of the CDR scheme where the lenders agreed to a particular rate. Once the lenders decided on an OTS the application of interest has no relevance as in most cases it is waived. Further, after the account has turned NPA none of the banks have been giving us statement with the interest amount. Further, as the contracted document rate is based on PLR we have no method of verifying the changes periodically in PLR and calculate based on the same as the banks have stopped advising us the changes in their PLR after the account turned NPA.</li> <li>4. Being a Company declared Sick by the Board for Industrial and Financial Reconstruction, we have sought waiver for payment of interest/penalty on the unpaid statutory dues and therefore the same has not been accounted for in the books of accounts. As a result, we are unable to quantify the impact of the qualification mentioned in point (5) on the financials of the Company.</li> </ol> |
|    | <b>(iii) Auditor's comments on (i) or (ii) above:</b> The Auditor has not further comments.                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                  |
|    |                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                              |

|      |                                                                                                         |                                                                                                                                                                                                                                                           |
|------|---------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| III. | Signatories:                                                                                            |                                                                                                                                                                                                                                                           |
|      | <p>CEO/Managing Director:</p> <p>CFO:</p> <p>Statutory Auditor:</p> <p>Audit Committee Chairperson:</p> | <p>—</p> <p><i>R. Desai</i></p> <p><i>[Signature]</i></p> <p><i>[Signature]</i></p>   |