

TOKYO FINANCE LIMITED

ANNUAL REPORT 2015-2016

ANNUAL REPORT 2015 - 2016

CIN : L65923DD1994PLC009783

BOARD OF DIRECTORS

Shri Velji L. Shah
Chairman

Shri Haresh V. Shah

Shri Tassadduq A. Khan

Shri Chimanlal A. Kachhi

Smt. Jagruti Mayurbhai Sanghavi

AUDITORS

Swamy & Chhabra
Chartered Accountants

BANKERS

The Cosmos Co-Op. Bank Ltd.

REGISTERED OFFICE

Plot No.363/1,2,3), Shree Ganesh Industrial Estate, Kachigaum Road,
Daman, Daman & Diu - 396 210 (U.T.)

REGISTRAR AND TRANSFER AGENT

Sharex Dynamic (India) Pvt. Ltd.
Unit-1, Luthra Ind. Premises,
1st Floor, Safed Pool, Andheri Kurla Road,
Andheri (East)
Mumbai - 400 072

TWENTY SECOND ANNUAL GENERAL MEETING	CONTENTS
<p>Date : 28th September, 2016</p> <p>Time : 4.00 P.M.</p> <p>Venue : Hotel Sovereign</p> <p>Sea Face Road,</p> <p>Daman - 396 210</p>	<p>Notice 1</p> <p>Boards Report 10</p> <p>Auditors Report 27</p> <p>Balance Sheet 34</p> <p>Statement of Profit & Loss 35</p> <p>Cash Flow Statement 36</p> <p>Significant Accounting Policy 37</p> <p>Notes to the Financial Statement 39</p>

NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY SECOND ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF TOKYO FINANCE LIMITED (CIN-L65923DD1994PLC009783) will be held at Hotel Sovereign, Sea Face Road, Daman – 396 210 (U.T.) on September 28, 2016 at 04.00 p.m. to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2016, Statement Profit & Loss for the year ended on that date and the Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Haresh V. Shah Director, who retires by rotation and being eligible, offers himself for re-appointment.
3. **“RESOLVED THAT** pursuant to the provisions of sections 139(9) and 142(1) and other applicable provisions, if any, of the Companies Act, 2013, read with rules made there under, the appointment of M/s. Swamy & Chhabra, Chartered Accountants (Firm Regn No:113036W) approved in the 20th Annual General Meeting until 23rd Annual General Meeting is hereby ratified in this Annual General Meeting till conclusion of next Annual General Meeting, with remuneration as may be decided by the Board of Directors.

Special Business:

4. **To appointment Mr. Velji L. Shah, as a managing Director & Chairman of the Company and to fix his remuneration**

To consider and if thought fit, to pass with or without modification, the following Resolution as a Ordinary Resolution.

“Resolved That pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V of the Companies Act, 2013, consent of the Company be and is hereby accorded for the appointment of Mr. Velji L. Shah (DIN : 00007239) as Managing Director for a period of 5 years w.e.f. 05.02.2016 on the terms and conditions of appointment and remuneration as contained in the draft agreement, a copy whereof initialed by the Chairman for the purpose of identification is placed before the meeting, and the Board of Directors be and is hereby authorized to alter and vary such terms of re-appointment and remuneration so as not to exceed the limits specified in Schedule V of the Companies Act, 2013 as may be agreed to by the Board of Directors and Mr. Velji L. Shah, the said appointee inter-alia covering the following basic features:

Functions: Subject to the Employment Agreement, Mr. Velji L. Shah shall be responsible for looking after the day-to-day business and affairs of the company.

Remuneration: Velji L. Shah, shall be entitled to monthly remuneration of Rs. 50,000/- for three years w.e.f. February 05, 2016.

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Resolved Further That the above Remuneration to be paid as minimum remuneration to Mr. Velji L. Shah, irrespective of the fact whether the company incurs losses or the profits are inadequate in any financial year during her tenure as Managing Director.

Resolved Further That the Board be and is hereby authorised to alter and vary the terms and conditions of the said agreement in such a manner as may be agreed to by the Board and Mr. Velji L. Shah but so as not to exceed the limits specified in Schedule V of the Companies Act, 2013, or any amendment thereto or enactments thereof with effect from such date as may be decided by it.”

5. **Adoption of New set of Article and Association**

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

“Resolved That pursuant to the provisions of section 5 and 14 of Companies Act, 2013 ('the Act'), Schedule - I made thereunder, read with the Companies (Incorporation) Rules, 2014 and all other applicable provisions, if any, of the Act (including any statutory modification(s) or re-enactment thereof for the time being in force), the new set of Articles of Association pursuant to the Act primarily based on the Form of Table F under the Act, be and is hereby approved and adopted as new set of Articles of Association in the place of existing Articles of Association of the Company.

Resolved Further That for the purpose of giving full effect to this resolution, the Board be and is hereby authorised on behalf of the Company to do all such acts, deeds, matters and things as it may, in its absolute discretion, deem necessary, expedient, proper or desirable and to settle all questions, difficulties or doubts that may arise in this regard at any stage without requiring the Board to secure any further consent or approval of the Members of the Company to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.

Resolved Further That any of the Director of the Company be and are hereby severally authorised to do all such acts, deeds and things as may be required to give effect to the above resolution(s).”

6. **To keep Registers of members of the Company at the Place of Registrar and Share Transfer Agent at Mumbai (i.e. at a place other than Registered Office)**

To consider and, if thought fit, to give assent / dissent, to the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to provisions of Section 94(1) of the Companies Act, 2013 (“the Act”) and all other applicable provisions of the Act and relevant Rules applicable, if any, consent of the members of the Company be and is hereby accorded to keep the Register and other registers/ records to be maintained under Section 88(1) of the Act will be kept at the office of Registrar and Share Transfer Agent at Mumbai. (i.e. place other than Registered Office where the Registers, returns and other documents are proposed to be kept);

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors be and are hereby severally authorised to intimate to the Registrar of Companies and to do all such acts, deeds and things which are necessary for the purpose of giving effect to this Resolution.”

7. **Approval to deliver document through a particular mode as may be sought by the member**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to Section 20 of the Companies Act, 2013 and the Rules made thereunder (hereinafter referred to as ‘the Act’), consent of the Company be and is hereby accorded to the Board of Directors of the Company to serve document(s) on Member(s) of the Company by post or by registered post or by speed post or by courier or by delivering at their address, or by such electronic or other mode prescribed under the Act and desired by Member(s), from time to time.

RESOLVED THAT upon request of Member(s) for delivery of any document(s) through a particular mode, the Company do serve the same to the Member(s) through that particular mode and/ or charge such fees which shall not be more than the amount charged to the Company by the Department of Post or the Service Provider(s) including related handling and other charges, if any, to deliver the documents in a particular mode.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts and take all such steps as may be deemed necessary, proper or expedient to give effect to this resolution.”

Place: Mumbai
Date: 10.08.2016

For and on behalf of Board

Velji L. Shah
Chairman

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.

A proxy form duly completed and stamped must reach the registered office of the Company not less than 48 hours before the commencement of the aforesaid meeting.

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2. The Register of members and the share transfer books of the company will remain closed from 22nd September, 2016 to 28th September, 2016 (both days inclusive) in connection with the Annual General Meeting.
3. Members are requested to notify the change in address or bank details or to update their e-mail Id to their respective Depository Participants in respect of their shareholding in Demat mode and in respect of their physical shareholding to the company's Registrar and Share Transfer Agent, Sharex Dynamic (India) Pvt. Ltd., Unit 1, Luthra Industrial Premises, 1st Floor, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai - 400072. Phone No. 28515606/ 28515644. Web. Sharexindia.com, email ID sharexindia@vsnl.com
4. The Annual Report 2015-16 as circulated to the members of the Company is also available on the website of the Company www.tokyofinance.in.
5. Members desiring any information on the accounts are requested to write to the Company, which should reach the Company at least one week before the meeting so as to enable the management to keep the information ready. Replies will be provided only at the meeting.
6. Members/proxies are requested to kindly bring duly filled in attendance slip at the meeting.
7. Voting for transaction of Business:

The business as set out in the Notice may be transacted and that :

- A. In compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of The Companies (Management and Administration) Rules, 2014 as substituted by The Companies (Management and Administration) Amendment Rules, 2015 & Regulation 44 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Company is offering remote e-voting facility to the members to enable them to cast their votes electronically from a place other than the venue of the AGM ('remote e-voting') provided by CDSL. Please note that remote e-voting is optional and not mandatory.
- B. The Facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote may exercise their vote through remote e-voting.
- C. The Members who have cast their vote by remote e-voting shall not be entitled to cast their vote again.

The procedure/ instructions for e-voting are as under:

- (i) The voting period begins on September 25, 2016 (9.00 a.m.) and ends on September 27, 2016 (5.00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21st September 2016, 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.
- (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	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <p>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</p> <p>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</p>
Dividend Bank Details OR DOB	<p>Enter the Dividend Bank Details or Date of Birth(DOB) (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <p>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).</p>

- (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 EVSN for the relevant "Tokyo Finance 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.

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- (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) Note for Non – Individual Shareholders and Custodians :
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create 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.
- (xix) 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.
- (xx) General:
- a. The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of September 21, 2016.
 - b. The members who acquired shares after the dispatch of notice and wants to vote by e-voting are hereby requested to kindly mail sharexindia@vsnl.com for password generation and other details with respect to e-voting.
 - c. ShriVirendra G. Bhatt, Practicing Company Secretary, Mumbai, has been appointed as Scrutinizer to scrutinize the e- voting process (Including the Poll at the Annual general Meeting) in a fair and transparent manner.
 - d. The Scrutinizer shall within a period of three working days from the date of conclusion of the shareholders meeting, submit his report after consolidation of e-voting and the votes in the shareholders meeting, cast in favour of or against, if any, to the Chairman of the Company. Results will be uploaded on the Company’s website as well as intimated to the Stock Exchanges (BSE & NSE).
8. Members/Proxies should bring duly filled Attendance Slips sent herewith to attend the Meeting. Members holding equity shares in electronic form, and proxies thereof, are requested to bring their DP ID and Client ID for identification.
9. Members are requested to bring their copies of Annual Report to the Meeting.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4 :

Information about Mr. Velji L. Shah (Appointee):-

Mr. Velji L. Shah, is the chairman of the company since inception and having a vast industrial experience, majority of which has been spent in companies. He is largely responsible for the efficient operations of the Tokyo Finance Limited and its excellent financial performance. It is also essential for the Company to have his continued services for its future growth. Mr. Velji L. Shah had rich experience and exposure to business environment. During his entire tenure of association with company he had provided his tremendous support and guidance to the organization and helped in achieving goals and progress of the company.

Mr. Velji L. Shah, will be entitled to a remuneration of Rs. 50,000/- per month for a period of three years w.e.f. 5th February, 2016. Mr. Velji L. Shah, is interested in the company and holds 9,61,100 equity shares and received remuneration as proposed in this meeting. His Son Mr. Haresh V. Shah is the Director of the Company and holds 39,100 equity shares. Mr. Velji L. Shah has rich experience in the field of management and other activities; accordingly the board of directors of the company is in the view that company will achieve outstanding performance with the continuous association of Mr. Velji L. Shah.

The Board of directors has decided to appoint Mr. Velji L. Shah as Managing Director of the company in the board meeting held on 5th February, 2016.

The board recommends the passing of the aforesaid resolution as Ordinary resolution.

None of the directors Key Managerial Personnel of the Company except Mr. Mr. Velji L. Shah, and Haresh V. Shah is concerned or interested in the proposed resolution.

Item No. 5 :

The Articles of Association (“AoA”) of the Company is presently in force since its incorporation of the Company.

The existing Articles of Association are in line with the erstwhile Companies Act 1956, which are thus no longer in full conformity with the Companies Act, 2013 (‘New Act’). The New Act is now largely in force and substantive sections of the Act which deal with the general working of companies stand notified. With the coming into force of the Act several articles of the existing Articles of Association of the Company require alteration /deletions. Given this position, it is considered expedient to wholly replace the existing Articles of Association by a new set of Articles.

It is thus expedient to adopt new set of Articles of Association, in place of existing Articles of Association of the Company instead of amending the Articles of Association by alteration/incorporation of provisions of the Companies Act, 2013.

In terms of section 5 and 14 of the Companies Act, 2013, the consent of the members by way of special resolution is required for adoption of new set of Articles of Association of the Company.

A copy of the proposed set of new Articles of Association of the Company would be available for inspection for the members at the Registered Office of the Company during the office hours on any working day.

None of the Directors, Key Managerial Personnel of Company and their relatives are concerned or interested in the said resolution.

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Item No. 6 :

By passing the special resolution, the Registered Office of the Company shifted from Mumbai to Daman. Now, The Registered Office of the Company is situated at Plot No. 363/1(1,2,3), Shree Ganesh Industrial Estate, Kachigam Road, Daman, Daman and Diu - 396210.

In terms of the provisions of Sec. 94(1) of the Companies Act 2013, Registers and copies of the returns as aforesaid may also be kept at any other place in India other than at the Registered Office of the Company, in which more than one-tenth of the total number of members entered in the Register of Members reside, if approved by a Special Resolution by the members of the Company.

The Board recommends to keep the registers maintained under Section 88(1) of the Companies Act, 2013 ("the Act") [i.e. Register of Members etc.] at the office of Registrar and Share Transfer Agent at Mumbai where out of the total number of members more than one-tenth of the total number of members reside. The Board therefore recommends the resolution as set out at Item No. 6 for approval of the members as Special Resolution.

None of the directors Key Managerial Personnel of the Company is concerned or interested in the proposed resolution.

Item No. 7 :

Section 20 of the Companies Act, 2013 read with Rule 35 of the Companies (Incorporation) Rules, 2014 provides the mode of service of documents inter alia to the members of the Company. The proviso to sub-section (2) of that Section states that where a member requests for delivery of any document through a particular mode, he shall pay fees as may be determined by the Company in its Annual General Meeting.

As such fee will be determined by the mode and place of delivery of the document sought, it is not possible to quantify the amount, and hence it is appropriate that the Board of Directors be authorized to determine the fee.

The Board of Directors accordingly proposes the Ordinary Resolution set out at Item No. 7 of the accompanying Notice for approval of the members which is an enabling resolution.

None of the directors Key Managerial Personnel of the Company is concerned or interested in the proposed resolution.

DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING

(In Pursuance to SEBI (Listing Obligation and Disclosure Requirements) Rule, 2015

Particulars	Mr. Haresh Velji Shah
Date of Birth	16/08/1974
Date of Appointment	01/07/1996
Qualifications	Graduate in Plastic Industry
Expertise in specific functional areas	20 Years of experience in Plastic Industry
Directorship in other Public Limited Companies	Tokyo Plast International Limited Tokyo Constructions Limited Tokyo Exim Limited
Membership of Committees in another Public Limited Companies	Stakeholders Relationship Committee & CSR Committee of Tokyo Plast International Limited.
Number of Shares held in the Company	39100

For the details of Appointment of other Directors, please refer to the above Explanatory Statement in respect of the Special Business set out at Item No. 4 of the Notice of Annual General Meeting pursuant to Section 102 of the Companies Act, 2013.

Place: Mumbai
Date: 10.08.2016

For and on behalf of Board of Directors

Velji L. Shah
Chairman

Registered office :

Plot No. 363/1(1,2,3),
Shree Ganesh Industrial Estate,
Kachigaum Road,
Daman, Daman and Diu - 396210

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BOARD REPORT

To,
The members,
Tokyo Finance Limited

Your Directors have pleasure to present their Twenty Second Annual Report on the business and operations of the Company along with the Audited Financial Statements for the financial year ended on 31st March, 2016.

Financial Results

The Company's financial performance for the year under review alongwith previous year's figures are given hereunder:

Particulars	(Rs. In Lacs)	
	2015-16	2013-14
Revenue from operations	161.13	217.35
Profit for the year before Tax	37.66	67.08
Tax expenses	12.00	10.62
Net Profit after Tax	25.66	56.46
Surplus carried over to Balance Sheet	25.66	56.46

Review of Operations

The Company recorded a gross turnover of Rs.161.13 lacs from Rs.217.35 lacs of the previous Financial Year and the net profit of the Company for the year under review was placed at Rs.25.66 lacs from Rs.56.46 lacs of previous year.

Dividend

No Dividend was declared for the current financial year due to conservation of Profits.

Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

There are no material changes affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and Company's operations in future.

Auditors and Auditors' Report

A. Statutory Auditors

The Auditors, M/s. Swamy & Chhabra, Chartered Accountants (FRN: 113036W) was appointed in the 20th Annual General Meeting for upto 23rd Annual General Meeting. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at

every Annual General Meeting. Accordingly, the appointment of M/s. Swamy & Chhabra, Chartered Accountants, as statutory auditors of the Company, is placed for ratification by the shareholders. There is no reservation, qualification or adverse remark contained in the Statutory Auditors' Report attached to Balance Sheet as at 31st March, 2016. Information referred in Auditors' Report are self-explanatory and do not call for any further comments.

As required by SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Auditors have given written certificate that they confirm the limits specified in the said Section and that they are not disqualified for appointment within the meaning of Section 141 of the said Act and also confirmed that they hold a valid certificate issued by the peer review Board of ICAI.

B. Secretarial Auditor

The Board has appointed Mr. Virendra Bhatt, Practicing Company Secretary, (MNo.: 1157) as Secretarial Auditor according to the provision of section 204 of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Secretarial Audit Report for the financial year 2015-16 is attached herewith as Annexure – 1 signed by Ms. I. Javeri, Associate of Mr. Virendra Bhatt. Company is yet not able to find the suitable candidate to be appointed as CFO and CS based on the size of the Company and looking for the same. Further, information referred in Secretarial Auditor Report are self-explanatory and don't call for any further comments.

C. Internal Auditor

Pursuant to Section 138 of the Companies Act 2013, every Listed Company is required to appoint an Internal Auditor or a firm of Internal Auditors. In line with this requirement, the Board of Directors has appointed M/s P. H. Chincholkar & Co., Chartered Accounts, as Internal Auditor of the Company for the financial year 2015-16.

He has submitted Internal Audit Report for the financial year 2015-16 to the Board. No major audit observations were observed during the Internal Audit for the financial year 2015-16.

Extract of the annual return

Extract of the Annual Return in Form MGT-9 containing details as on the financial year ended 31st March, 2016, as required under Section 92 (3) of the Companies Act, 2013, read with the Companies (Management and Administration) Rules 2014, is included in the Report as Annexure - 2.

Conservation of energy, technology absorption and foreign exchange earnings and outgo

Company is not in any activities which entail the energy and technology consumption and there was no Foreign Exchange earnings and outgo in the company during the financial year.

Directors

A. Changes in Directors and Key Managerial Personnel

In, accordance with the provisions of the Companies Act, 2013 and in terms of the Memorandum and Articles of Association of the Company, Mr. Velji L. Shah, appointed as Managing Director (Chairman) of the Company by the board of directors in the board meeting dated 5th February, 2016.

His appointment is recommended by the board for the shareholder approval in the item no. 4 of the Notice of Annual General Meeting.

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B. Declaration by an Independent Director(s) and re- appointment

All Independent Directors of the Company have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The terms & conditions for the appointment of Independent Directors are available on the website of the Company www.tokyofinance.in.

C. Formal Annual Evaluation

Schedule IV to the Companies Act, 2013, mandates that the Board shall monitor and review the Board evaluation framework. The Companies Act, 2013 states that a formal annual evaluation needs to be made by the Board of its own performance and that of its committees and individual directors. Schedule IV of the Companies Act, 2013, states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated. The Board has carried out an annual performance evaluation of its own performance, that of its Committees and individual Directors. None of the independent directors are due for re-appointment.

D. Criteria for performance evaluation of Independent Directors and the Board

- a. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's Policy.
- b. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has authority to decide whether qualification, expertise and experience possessed by a person are satisfactory for the position.
- c. The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

E. Directors Responsibility Statement

Pursuant to Section 134(5) of the Companies Act, 2013, Directors of your Company hereby state and confirm that:

- a) in the preparation of the annual accounts for the year ended 31st March, 2016, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- b) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the same period;
- c) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) they have prepared the annual accounts on a going concern basis;
- e) they have laid down internal financial controls in the company that are adequate and were operating effectively.
- f) they have devised proper systems to ensure compliance with the provisions of all applicable laws and these are adequate and are operating effectively.

Meetings**A. Board Meeting**

During the year Board of Directors meet 7 times to discuss various matters, presence of each director and there directorship and membership in other public company is provided below :

Name of Director	Category	Attendance in Board Meeting attended	Last AGM Attended	No. of Outside Directorships of Public Companies	No. of Committee Positions held in other Public Company (Chairman)
Mr. Velji L. Shah	Managing Director	5/7	No	3	--
Mr. Haresh V. Shah	Executive	7/7	Yes	3	2
Mr. Tassadduq Ali Khan	Independent	6/7	Yes	1	3(1)
Mr. Chimanlal Andarji Kachhi	Independent	4/7	No	1	3(1)
Mrs. Jagruti Mayurbhai Sanghavi	Independent	5/7	Yes	1	2

The draft of the minutes prepared by the Company is circulated among the Directors for their comment/ suggestion and finally after incorporating their views, final minutes are recorded in the minute's books. Post meeting, important decisions taken are communicated to the concerned officials and departments for the effective implementation of the same.

B. Independent Directors' Meeting

As per the requirement of Schedule IV to the Companies Act, 2013, the Independent Directors of the Company met on 19th March, 2016, inter alia to:

- Review the performance of the non- Independent Directors and the Board of directors as a whole;
- Review the performance of the Chairperson of the Company; taking into account the views of the Executive Directors.
- Assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Attendance of Directors at Independent Directors Meeting

Name of the Directors	19 th March, 2016
Mr. Tassadduq Ali Khan	√
Mr. Chimanlal Andarji Kachhi	√
Mrs. Jagruti Mayurbhai Sanghavi	√

TOKYO FINANCE LIMITED

Committees of Board

Board, have three committee to attend various matters provided by the law i.e. Audit Committee, Nomination & Remuneration Committee & Stakeholder Relationship Committee. Except Stakeholder Relationship Committee other committees consists, entirely of independent directors.

Name of the committee	Composition of the committee	Highlights of duties, responsibilities and activities
Audit committee	Mr. Tassadduq Ali Khan, Chairperson Mr. Chimanlal Andarji Kachhi Mrs. Jagruti Mayurbhai Sanghavi	<ul style="list-style-type: none"> · All recommendations made by the audit committee during the year were accepted by the Board. · The Company has adopted the Whistleblower mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Company's Code of Conduct and Ethics. In accordance with the requirements of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the Company has formulated policies on related party transactions. The policies, including the Whistleblower Policy, are available on our website, www.tokyofinance.in
Nomination and Remuneration committee	Mr. Tassadduq Ali Khan, Chairperson Mr. Chimanlal Andarji Kachhi Mrs. Jagruti Mayurbhai Sanghavi	<ul style="list-style-type: none"> · The committee oversees and administers executive compensation, operating under a written policy adopted by our Board of Directors. · The committee has designed and continuously reviews the nomination and remuneration policy for our Directors and senior executives to align both short-term and long-term remuneration with business objectives and to link remuneration with the achievement of measurable performance goals. The nomination and remuneration committee has framed the nomination and remuneration policy. The said policy is available on our website, www.tokyofinance.in.
Stakeholders Relationship committee	Mr. Chimanlal Andarji Kachhi, Chairperson Mr. Tassadduq Ali Khan Mr. Haresh V. Shah	<ul style="list-style-type: none"> · The committee reviews and ensures redressal of investor grievances. · · The committee noted that all the grievances of the investors have been resolved during the year.

Vigil Mechanism

Your Company has a well-defined “Whistle Blower Policy” and has established Vigil Mechanism to provide for adequate safeguards against victimisation of Directors and employees who follow such mechanism and has also made provisions for direct access to the Chairman of Audit Committee in appropriate cases. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.tokyofinance.in.

Sexual Harassment of Women at Workplace

The Company has in place a Policy against Sexual Harassment at workplace in line with the requirement of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. An Internal Complaints Committee (ICC) has been set up to redress complaints received regarding Sexual Harassment. All employees (permanent, contractual, temporary and trainees) are covered under this Policy.

No Complaint has been received by the Committee during the year.

Corporate Social Responsibility(CSR)

Your company does not fall under the purview of Corporate Social Responsibility during the period under review, but your Company is keen to help the society when ever required.

Related Party Transactions(RPTs')

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.

During the year, the Company has not entered into any transactions with Related Parties which are not in its ordinary course of business or not on an arm's length basis and which require disclosure in this Report in terms of the provisions of Section 188(1) of the Act.

Particulars of Loans, Guarantees or Investments

Pursuant to Section 186(11) of the Companies Act, 2013, the provisions of Section 186(4) of the Companies Act, 2013 requiring disclosure in the financial statements of the full particulars of the loans given, investment made or guarantee given or security provided and the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient of the loan or guarantee or security is not applicable to a non-banking financial company registered under Chapter III of the Reserve Bank of India Act, 1934 and whose principal business is acquisition of securities.

Adoption of New Articles

The Companies Act, 2013 and The Companies (Amendment) Act, 2015 has necessitated changes in the Articles of Association of the Company. It is accordingly proposed that a new set of Articles of Association be adopted by the Members and a Resolution to this effect is included at Item No. 5 in the Notice of the Annual General Meeting. The Board recommends the resolution for adoption by the Members.

Listing with Stock Exchange

Company is listed with Bombay Stock Exchange Ltd and listing fee has paid to the stock exchange for the financial year 2015-16. Stock Code of company is 531644 and ISIN Number for NSDL/CDSL (Dematerialised shares) is INE546D01018.

Dematerialisation of Shares

The Company's equity shares are under compulsory demat trading. Electronic holding by Members comprising 83 % of the total equity of the Company through the National Securities Depository Limited (32.69%) and Central Depository Services (India) Limited (50.31%).

The company has applied for de-listing from Ahmedabad stock exchange, as approved by the shareholder at the Annual general meeting held on 29th September, 2009 and awaiting for confirmation.

TOKYO FINANCE LIMITED

Particular of Employees

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with rules made thereunder, as amended from time to time there is no managerial remuneration paid during the year as Mr. Velji L. Shah, MD of the Company waived the remuneration for the year under review.

A. Information as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 : NA

B. Information as per Rule 5(2)(i) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 are as follows :

Dhanshree P. Kherade; Kalpana A. Ghate; Sandhya Ghaneekar; Satyanarayan C. Maurya; Rakesh S. Tiwari; Zuber Nurallah; Suresh L. Joshi; Amay S. Kochare; Nandu A. Nair & Krishna S. Joshi.

No, Employees during the financial year covered under the provisions of Rule 5(2)(ii) & (iii) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016.

Corporate Governance and Management Discussion & Analysis Report

Corporate governance is an ethically driven business process that is committed to values aimed at enhancing an organization's brand and reputation. This is ensured by taking ethical business decisions and conducting business with a firm commitment to values, while meeting stakeholders' expectations. At Tokyo Finance, it is imperative that our company affairs are managed in a fair and transparent manner. This is vital to gain and retain the trust of our stakeholders.

Pursuant to Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, compliance with the certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not mandatory for the time being for Companies having paid up equity share capital not exceeding Rs.10 crore and Net Worth not exceeding Rs.25 crore, as on the last day of the previous financial year.

Since our Company falls in the ambit of aforesaid exemption; hence compliance with the certain provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not mandatory for our Company. Consequently our Company is not required to provide separate section on Corporate Governance and Management's Discussion and Analysis Report.

However, our Company has complied with all the disclosures and requirements which are applicable under all the rules, regulations for the time being in force.

Business Risk Management

The main identified risks at the Company are commercial risks, legal & regulatory risk. Your company has established a comprehensive risk management policy to ensure that risk to the Company's continued existence as a going concern and to its development are identified and addressed on timely basis. Risk management strategy as approved by the board of directors is implemented by the company management.

ACKNOWLEDGEMENT

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

Place : Mumbai
Date : 10.08.2016

For and on behalf of Board of Directors

Velji L. Shah
Chairman

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2016

[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]

To,
The Members,
Tokyo Finance Limited.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Tokyo Finance Limited. (Hereinafter called the Company). Secretarial Audit was conducted in a manner that provides me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Tokyo Finance Limited books, papers, minute 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 March 31, 2016 prima facie complied with the statutory provisions listed hereunder:

I have examined the books, papers, minutes books, forms and returns filed and other records maintained by Tokyo Finance Limited (“the Company”) for the financial year ended on March 31, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (Not Applicable to the Company during the Audit period);
- (v) The following Regulations and Guidelines prescribed under 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;

The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

TOKYO FINANCE LIMITED

- Though the following laws are prescribed in the format of Secretarial Audit Report by the Government, the same were not applicable to the Company for the financial year ended 31st March, 2016:-
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999);
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - (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; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- (i) I have also examined compliance with the applicable clauses of the following:
 - (a) The listing agreements entered into by the Company with the Bombay Stock Exchanges.
 - (b) Secretarial Standards 1 & 2 issued by The Institute of Company Secretaries of India.

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

I report that the Company has not appointed Key Managerial Personnel i.e. a Whole – Time Company Secretary and Chief Financial Officer.

I further report that being an NBFC Company it has invested and lent more than 25% of its owned funds to group Companies.

I further report that Company has submitted required Financial Statement to RBI annually.

I further report that the Company has accepted cheque of Rs. 1,00,000/- for re-appointment of a director retiring by rotation and the Company has not deposited the same in the bank account.

I further report that I rely on statutory auditor's reports in relation to the financial statements and accuracy of financial figures for, Sales Tax, Wealth Tax, Value Added Tax, Related Party Transactions, Provident Fund, ESIC, etc. as disclosed under financial statements, Accounting Standard 18 & note on foreign currency transactions during our audit period.

I further report that the Company has granted loans to one parties covered in the register maintained under section 189 of the Companies Act, 2013.

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 period under review were carried out in compliance with the provisions of the Act.

I further report that as per the information provided prima facie adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven 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.

I further report that as per the information provided majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

I further report that the management is responsible for compliances of all business laws. This responsibility includes maintenance of statutory registers/records required by the concerned authorities and internal control of the concerned department and we have relied on that.

I further report that during the audit period the Company has no specific events like Public/Right/Preferential issue of shares/debentures/sweat equity etc. except for change of registered office of the Company from The State of Maharashtra to Union of Territory Daman for which shareholders approval is taken and the Central Government approval is pending.

I further report that:

1. Maintenance of Secretarial record is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these Secretarial Records based on our audit.
2. I have followed the audit practices and 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 the Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. Where ever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.
4. The compliance of the provisions of Corporate and other applicable Laws, Rules, Regulations, Standards is the responsibility of the Management. My examination was limited to the verification of procedures on test basis.
5. The Secretarial Audit report is neither an assurance as to the future viability of the company nor the efficacy or effectiveness with which the Management has conducted the affairs of the company.

Ms. I. Javeri
ACS No – 2209
COP No – 7245

Place: Mumbai
Date: 10th August, 2016.

TOKYO FINANCE LIMITED

ANNEXURE - 2

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March 2016

[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

1	CIN	L65923DD1994PLC009783
2	Registration Date	22//11/1994
3	Name of the Company	Tokyo Finance Limited
4	Category/Sub-category of the Company	Company having Share Capital
5	Address of the Registered office & contact details	363/1(1,2,3), Shree Ganesh Industrial Estate, Kachigam Road, Daman, Daman and Diu - 396210
6	Whether listed company	Yes (Listed in BSE)
7	Name, Address and Contact details of Registrar and Transfer Agent, if any:	Sharex Dynamic (India) Pvt. Ltd.
		Unit-1, Luthra Ind. Premises, 1st Floor, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai - 400 072

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 :

Name and Description of main Products / Services	NIC Code of the Products / Services	% of total turnover of the Company
Non Banking Financial Activity	64990	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and address of the company	CIN/GLN	Holding/Subsidiary/ Associate	% of shares held
--	--	--	--	--

IV. SHAREHOLDING PATTERN

(i) (EQUITY SHARE CAPITAL BREAK UP AS % TO TOTAL EQUITY)

Category of Shareholders	No. of Shares held at the beginning of the year 01/04/2015				No. of Shares held at the end of the year 31/03/2016				% Change during the year
	Demat	Physical	Total	% of Total Shares of Company	Demat	Physical	Total	% of Total Shares of Company	
A. PROMOTER'S									
(1). INDIAN									
(a). individual	1747659	19600	1767259	25.35	1747659	19600	1767259	25.35	0.00
(b). Central Govt.	-	-	-	-	-	-	-	-	-
(c). State Govt(s).	-	-	-	-	-	-	-	-	-
(d). Bodies Corp.	1120000	-	1120000	16.07	1120000	-	1120000	16.07	0.00
(e). FIINS / BANKS.	-	-	-	-	-	-	-	-	-
(f). Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):-	2867659	19600	2887259	41.42	2867659	19600	2887259	41.42	0.00
(2). FOREIGN									
(a). Individual NRI / For Ind	-	-	-	-	-	-	-	-	-
(b). Other Individual	-	-	-	-	-	-	-	-	-
(c). Bodies Corporates	-	-	-	-	-	-	-	-	-
(d). Banks / FII	-	-	-	-	-	-	-	-	-
(e). Qualified Foreign Investor	-	-	-	-	-	-	-	-	-
(f). Any Other Specify	-	-	-	-	-	-	-	-	-
Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)	2867659	19600	2887259	41.42	2867659	19600	2887259	41.42	0.00

TOKYO FINANCE LIMITED

(B) (1). PUBLIC SHAREHOLDING

(a). Mutual Funds	-	-	-	-	-	-	-	-	-
(b). Banks / FI	-	-	-	-	-	-	-	-	-
(c). Central Govt.	-	-	-	-	-	-	-	-	-
(d). State Govt.	-	-	-	-	-	-	-	-	-
(e). Venture Capital Funds	-	-	-	-	-	-	-	-	-
(f). Insurance Companies	-	-	-	-	-	-	-	-	-
(g). FIIs	-	-	-	-	-	-	-	-	-
(h). Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
(i). Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
(a). BODIES CORP.									
(i). Indian	89489	23700	113189	1.62	91149	23700	114849	1.65	0.02
(ii). Overseas	-	-	-	-	-	-	-	-	-
(b). Individuals									
(i) Individual shareholders holding nominal share capital upto Rs.1 lakh	680813	850400	1531213	21.97	681178	831500	1512678	21.70	-0.27
(ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	2031139	400900	2432039	34.89	2141114	307800	2448914	35.14	0.25
(c). Other (specify)									
Non Resident Indians	4600	1800	6400	0.09	4600	1800	6400	0.09	0.00
Overseas Corporate Bodies	-	-	-	-	-	-	-	-	-
Foreign Nationals	-	-	-	-	-	-	-	-	-
Clearing Members	-	-	-	-	-	-	-	-	-
Trusts	-	-	-	-	-	-	-	-	-
Foreign Boodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	2806041	1276800	4082841	58.58	2918041	1164800	4082841	58.58	0.00
Total Public Shareholding (B)=(B)(1)+ (B)(2)	2806041	1276800	4082841	58.58	2918041	1164800	4082841	58.58	0.00
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	5673700	1296400	6970100	100	5785700	1184400	6970100	100	-

(ii) Share Holding of Promoters

Name of the shareholder	No. of Shares held at the beginning of the year		No. of Shares held at the end of the year		% of change during the year
	Total number of shares	% of Total Shares	Total number of shares	% of Total Shares	
Tokyo Plast International Ltd	1120000	16.069	1120000	16.069	-
Velji Lakhadir Shah	961100	13.789	961100	13.789	-
Pushpa Pravin Shah	308150	4.421	308150	4.421	-
Priti Haresh Shah	249168	3.575	249168	3.575	-
Bharat Malshibhai Shah	71045	1.019	71045	1.019	-
Heena Bharat Shah	65296	0.937	65296	0.937	-
Malshi Lakhdhir Shah	41300	0.593	41300	0.593	-
Haresh V Shah	39100	0.561	39100	0.561	-
Kamlesh M Khirani	19600	0.281	19600	0.281	-
Pravin Malshi Shah	12500	0.179	12500	0.179	-
Total	2887259	41.424	2887259	41.424	-

(iii) Change in Promoters' Shareholding (Please specify, if there is no change) :There is no change in promoters holding during 01.04.2015 to 31.03.2016

(iv) Shareholding Pattern of top ten Shareholders

(Other than Directors, Promoters and Holders of GDRs and ADRs) :

Name of the Share Holder	No. of Shares at the beginning		Date of change	Cumulative Shareholding during the year		No. of Shares at the End of 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
Kushalchand J Mody	100900	1.448		--	--	100900	1.448
Manilal B Gada	77200	1.108	21/08/2015	77200	1.108	--	--
Govind Devji Waghela	150487	2.159		--	--	150487	2.159
Vivek Vijay Jain	181604	2.605		--	--	181604	2.605
Gunshi Bhimshi Gada	99000	1.42		--	--	99000	1.42
Vinay Deokinandan Saraogi	88208	1.266		--	--	88208	1.266
Taraben Pravin Chhadva	222476	3.192		--	--	222476	3.192
Pravin Motilal Chhadva	206300	2.96		--	--	206300	2.96
Bhavana Keshavaji Gada	306154	4.392	25/03/2015	6275	0.09	312429	4.482
Keshavji Bhachu Gada	340567	4.886		--	--	340567	4.886
Manilal Bachu Gada	87200	1.251		--	--	87200	1.251

The date ranges for above changes in Shareholding of Top 10 Shareholders considered for the date from 01.04.2014 to 31.03.2015

TOKYO FINANCE LIMITED

(v) Shareholding of Directors and Key Managerial Personnel

Name of the Shareholder	Shareholding at the beginning of the year		Shareholding at the end of the year	
	No. of shares	% of total shares	No. of shares	% of total shares
Velji Lakhadir Shah	961100	13.79	961100	13.79
Hareesh V. Shah	39100	0.56	39100	0.56
Tassadduq Ali Khan	NIL	NIL	NIL	NIL
Chimanlal Andarji Kachhi	NIL	NIL	NIL	NIL
Jagruti Mayurbhai Sanghavi	NIL	NIL	NIL	NIL

V. INDEBTEDNESS

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

(Rs. In Lacs)

Particulars	Secured Loans	Unsecured	Deposits	Total
Indebtedness at the beginning of the financial year				
i) Principal Amount	--	983.33	--	983.33
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	--	983.33	--	983.33
Change in Indebtedness during the financial year				
• Addition	--	--	--	--
• Reduction	--	19.64	--	19.64
	--	--	--	--
Net Change	--	19.64	--	19.64
Indebtedness at the end of the financial year				
i) Principal Amount	--	963.69	--	963.69
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	--	963.69	--	963.69

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

- A). Remuneration to Managing Director, Whole-time Directors and/or Manager : None
 B) Remuneration to Other Directors : None
 C) Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD : None

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
A. Company					
Penalty					
Punishment					
Compounding	136(3)	Delay in sending Annual Report to certain shareholder due to unavoidable reason	25000/-	RD	NA
B. Directors					
Penalty					
Punishment					
Compounding	136(3)	Delay in sending Annual Report to certain shareholder due to unavoidable reason	20,000/-	RD	NA
C. Other Officers In Default					
Penalty					
Punishment					
Compounding					

MD CERTIFICATION

I, Velji L. Shah, Chairman and Managing Director of Tokyo Finance Limited, certify that:

- I I have reviewed the financial statements and the cash flow statement for the year and that to the best of my knowledge and belief:
- a. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - b. these statements together present a true and fair view of the state of affairs of the company and are in compliance with existing accounting standards, applicable laws and regulations.
- II There are, to the best of my knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violate the company's code of conduct.
- III I accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which I am aware, have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- IV
- a. There has not been any significant change in internal control over financial reporting during the year under reference.
 - b. There has not been any significant change in accounting policies during the year requiring disclosure in the notes to the financial statements.
 - c. I am not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place : Mumbai
Date : 10.08.2016

Velji L. Shah
Chairman and Managing Director

INDEPENDENT AUDITOR'S REPORT

To the Members of
Tokyo Finance Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Tokyo Finance Limited ('the Company'), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and the Cash Flow statement for the year then ended, and a summary of 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules 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 financial statements are free from material misstatements

TOKYO FINANCE LIMITED

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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,

- (a) in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2016
- (b) in the case of the statement of profit and loss, of the profit for the year ended on that date; and
- (c) in the case of the cash flow statement, of the cash flows for the year ended on that date

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 section 143 (11) of the Act, we give in the 'Annexure A' a statement on the matters specified in the paragraph 3 and 4 of the 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 our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

- d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. on the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
- 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 matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) 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 litigations which would impact its financial position
 - ii the Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise
 - iii there has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund, the question of delay in transferring such sums does not arise.

For Swamy & Chhabra

Chartered Accountants

FRN: 113036W

Pavan Chhabra

Partner

MN: 085553

Mumbai, May 30, 2016

ANNEXURE A TO INDEPENDENT AUDITORS' REPORT

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the financial statements for the year ended March 31, 2016, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of immovable properties are held in the name of the Company.
- (ii) The Company is a non banking finance company, primarily giving loans and advances. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) The Company has granted loans to one party covered in the register maintained under Section 189 of Companies Act, 2013 ('the Act').
 - (a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the party listed in the register maintained under Section 189 of the Act were not, prima facie, prejudicial to the interest of the Company.
 - (b) There is no stipulation of schedule of repayment of principal and payment of interest and hence we are unable to make specific comment on the regularity of repayment of principal & payment of interest, in such case
 - (c) There are no stipulations made regarding receipt of principal and interest amount, so we are unable to comment on the amount overdue.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made and providing guarantees & securities as applicable.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under Section 148(1) of the Act, for any of the services of the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-Tax, Wealth Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues as applicable to company have generally been regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-Tax, Wealth Tax, Sales-Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues as applicable to the company, were in arrears as at March 31, 2016 for a period of more than six months from the date they became

- (b) According to the information and explanations given to us, there is no amounts payable in respect of Income Tax, Wealth Tax, Service Tax, Sales Tax, Customs duty and Excise duty which have not been deposited on account of any disputes
- (viii) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) The Company has not paid / provided for any managerial remuneration. Accordingly, paragraph 3(xi) of the Order is not applicable.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act 1934 and has obtained the required registration.

For Swamy & Chhabra

Chartered Accountants

FRN: 113036W

Pavan Chhabra

Partner

MN: 085553

Mumbai, May 30, 2016

ANNEXURE B TO INDEPENDENT AUDITORS' REPORT

(Referred to in our Report of even date)

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 Tokyo Finance Limited ('the Company') as of March 31, 2016 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 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 the 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 Companies Act, 2013.

Auditors' 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 on Audit of Internal Financial Controls over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013, 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 were 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 auditors' judgment, 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 authorizations of the Management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized 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 March 31, 2016 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 issued by the Institute of Chartered Accountants of India.

For Swamy & Chhabra

Chartered Accountants

FRN: 113036W

Pavan Chhabra

Partner

MN: 085553

Mumbai, May 30, 2016

TOKYO FINANCE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2016

	Note No.	As at 31 March. 2016 Rs.	As at 31 March. 2015 Rs.
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	1	69425500	69423500
Reserves and surplus	2	53132521 122558021	<u>50566965</u> 119990465
Non-current liabilities			
Long-term borrowings	3	46369133	48332879
Long-term provisions	4	520066 46889199	<u>371258</u> 48704137
Current liabilities			
Short-term borrowings	5	50000000	50000000
Trade payables	6	168266	240533
Other current liabilities	7	8550129	8549367
Short-term provisions	8	5445064 64163459	<u>4359002</u> 63148902
TOTAL		<u>233610679</u>	<u>231843504</u>
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	9	2727758	2796826
Non-current investments	10	6705300	6705300
Long-term loans and advances	11	130232470 139665528	<u>131618395</u> 141120521
Current assets			
Cash and cash equivalents	12	286001	3063063
Short-term loans and advances	13	93659150 93945151	<u>87659920</u> 90722983
TOTAL		<u>233610679</u>	<u>231843504</u>

The notes form an integral part of these financial statements

As per our report of even date

FOR SWAMY & CHHABRA

Chartered Accountants

PAVAN CHHABRA

(Partner)

Membership No- 085553

Firm's Registration No - 113036W

Mumbai, Dated 30th May, 2016

For and on behalf of the Board of Directors

VELJI L. SHAH - MANAGING DIRECTOR

DIN - 7239

HARESH V. SHAH - DIRECTOR

DIN - 8339

Mumbai, Dated 30th May, 2016

ANNUAL REPORT 2015 - 2016

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016

	Note No.	2015-16 Rs.	2014-15 Rs.
Income :			
Income from operations	14	16112799	21734657
Total		<u>16112799</u>	<u>21734657</u>
Expenses :			
Employee benefits expense	15	2484471	2231507
Finance costs	16	8631418	8614756
Depreciation and amortisation expense	9	69068	69068
Other expenses	17	1162286	4111343
Total		<u>12347243</u>	<u>15026674</u>
Profit / (Loss) before tax		3765556	6707983
Tax expense:			
Tax expense for current year		1200000	1059930
Tax expense relating to prior years		-	2565
Net current tax expense		<u>1200000</u>	<u>1062495</u>
Profit / (Loss) for the year		2565556	5645488
Earnings Per Share of Face Value of Rs.10/- each			
Basic/Diluted (Rs)		0.37	0.81

The notes form an integral part of these financial statements

As per our report of even date

FOR SWAMY & CHHABRA
Chartered Accountants

PAVAN CHHABRA
(Partner)
Membership No- 085553
Firm's Registration No - 113036W

Mumbai, Dated 30th May, 2016

For and on behalf of the Board of Directors

VELJI L SHAH - MANAGING DIRECTOR
DIN-7239

HARESH V. SHAH - DIRECTOR
DIN-8339

Mumbai, Dated 30th May, 2016

TOKYO FINANCE LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

	As at 31st March, 2016	As at 31st March, 2015
	Rs.	Rs.
A. Cash flow from operating activity:		
Net Profit before tax and extraordinary items	3765556	6707983
Adjustments for :		
Depreciation	69068	69068
Provision for Substandard Loan	-	9660598
Provision Reversed due to Bad Recovered	-	(6500000)
	<u>69068</u>	<u>3229666</u>
Operating profit before working capital changes	<u>3834624</u>	<u>9937649</u>
Adjustments for:		
Loans and Advances	(5529075)	(5407184)
Inventories	-	-
Current Liabilities	<u>(36635)</u>	<u>(914147)</u>
Cash generated from operations	<u>(1731086)</u>	<u>3616318</u>
Direct Taxes paid/ Prior Year Taxation	<u>915770</u>	<u>(2565)</u>
Cash flow before extraordinary items	<u>(815317)</u>	<u>3613753</u>
Extraordinary items	-	-
Net cash from operating activities	<u>(815317)</u>	<u>3613753</u>
B. Cash flow from investing activities:		
Purchase of fixed assets	-	-
Sale of Investments	-	-
Purchase of investments	-	-
Net cash used in investing activities	<u>-</u>	<u>-</u>
C. Cash flow from financing activities		
Proceeds from issue of share capital	2000	
Proceeds from borrowings	(1963746)	(1364233)
Deferred Tax Liability		
Dividend paid	-	-
Expenditure on raising capital	-	-
Net cash used in financing activities	<u>(1961746)</u>	<u>(1364233)</u>
Net increase in cash and cash equivalents	<u>(2777063)</u>	<u>2249520</u>
Cash and Cash equivalents as at the beginning of the year	<u>3063063</u>	<u>813543</u>
Cash and Cash equivalents as at the end of the year	<u>286001</u>	<u>3063063</u>
(Note No 12. of the Notes to Financial statements.)		

As per attached report of even date

FOR SWAMY & CHHABRA
Chartered Accountants

PAVAN CHHABRA
(Partner)

Membership No 085553

Firm's Registration No - 113036W

Mumbai, Dated 30th May, 2016

For and on behalf of the Board of Directors

VELJI L SHAH - MANAGING DIRECTOR
DIN-7239

HARESH V. SHAH - DIRECTOR
DIN-8339

Mumbai, Dated 30th May, 2016

SIGNIFICANT ACCOUNTING POLICIES :

Basis of Accounting:

The financial statements are prepared under the historical cost convention on an accrual basis of accounting 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 (Accounts) Rules, 2014 along with the applicable guidelines issued by Reserve Bank of India (“RBI”).

Revenue Recognition

Interest Income is recognised in the profit and loss account as it accrues except in the case of non performing assets (“NPAs”) where it is recognised, upon realisation, as per the Non Banking Financial Companies (NBFC) prudential norms of RBI.

Advances & Provisioning

Non performing assets (“NPAs”) provisions are made based on management’s assessment of the degree of impairment, subject to the minimum provisioning level in accordance with Non Banking Financial Companies (NBFC) prudential norms of RBI.

Fixed Assets :

Tangible fixed assets are stated at cost of acquisition including any cost attributable for bringing the asset to its working

Impairment of assets

In accordance with AS 28 on 'Impairment of Assets' issued by the Institute of Chartered Accountants of India, where there is an indication of impairment of the companies assets, the carrying amounts of the companies assets are reviewed at each balance sheet date to determine whether there is any impairment. The recoverable amount of the assets (or where applicable that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. An impairment loss is recognized whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. Impairment loss if any, is recognized in the Profit & loss account.

Investments

Long Term and unquoted investments are valued at historical cost. Provision for diminution in the value of investments will be made only when there is any indication of diminution of permanent nature .

Depreciation :

Depreciation on Tangible Fixed Assets is provided on “Straight Line Method”. Till March 31, 2014 depreciation is charged as per rates prescribed in Schedule XIV to the Companies Act, 1956. From April 01, 2014 it is based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013 and in the manner prescribed by Schedule II of the Companies Act 2013.

Intangible assets are amortised over their respective individual estimated useful lives on a straight-line basis, commencing from the date the asset is available to the Company for its use.

TOKYO FINANCE LIMITED

Taxation:

Current Tax Provision has been made in accordance with the Income Tax Act, 1961.

Deferred Tax resulting from 'timing difference' between book and taxable profit for the year is accounted for using the current tax rates. The deferred tax asset is recognised and carried forward only to the extent that there is a reasonable certainty that the assets will be adjusted in future. However, in case of deferred tax assets representing unabsorbed depreciation or carry forward losses are recognised, if and only if there is a virtual certainty that there would be adequate future taxable income against which such deferred tax assets can be realised.

Employee Benefits :

Short-Term Employee Benefits :

All employee benefits payable wholly within twelve months of rendering the services are classified as short-term employee benefits. Benefits such as salaries, short-term compensated absences etc. and expected cost of bonus are recognised in the period in which the employee renders the related service.

Defined – Benefits Plans

Gratuity: The Liability is ascertained and provided for as per Actuarial Valuation in conformity with the principles set out in the Accounting Standard 15 (revised)

Earnings per share

Basic and diluted earnings per share are computed in accordance with Accounting Standard (AS)-20 – Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss after tax for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Diluted earnings per equity share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year, except where the results are anti-dilutive.

Contingent liabilities not provided for :

Provisions are recognized when the company has a legal and constructive obligation as a result of past event, for which it is probable that a cash outflow will be required and a reliable estimate can be made of the amount of the obligation.

Contingent liabilities are disclosed when a company has possible obligation or a present obligation and it is uncertain as to whether a cash outflow will be required to settle the obligation.

As per attached report of even date

For and on behalf of the Board of Directors

FOR SWAMY & CHHABRA

Chartered Accountants

PAVAN CHHABRA

(Partner)

Membership No.085553

Firm's Registration No - 113036W

VELJIL. SHAH - MANAGING DIRECTOR

DIN-7239

HARESH V. SHAH - DIRECTOR

DIN-8339

Mumbai, Dated 30th May, 2016

Mumbai, Dated 30th May, 2016

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	As at March 31, 2016 Rs.	As at March 31, 2015 Rs.
1. Share Capital		
Authorised		
72,50,000 Equity Shares Of Rs.10 each	72500000	72500000
Issued, Subscribed and Paid Up		
6818500 Equity Shares of face value of Rs.10/- each, fully paid up	68185000	68173000
151600 (Previous year 152800) Equity Shares of face value of Rs.10/- each, not fully paid	1240500	1250500
TOTAL	<u><u>69425500</u></u>	<u><u>69423500</u></u>

Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share. No dividend has been proposed by the Board of Directors for the year. In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amount, in proportion to their shareholding.

Shares in the company held by each shareholder holding more than 5 percent shares

Name of Shares holders	As at March 31, 2016		As at March 31, 2015	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Tokyo Plast International Ltd	1120000	16.07	1120000	16.07
Velji L Shah	961100	13.78	961100	13.78

Details of Calls unpaid

Directors / officers	Nil	Nil	Nil	Nil
Others	151600	257500	152800	277500

2. Reserves & Surplus

Surplus in the statement of Profit and Loss Account

Balance as per Last Financial Statement	50566965	44921477
Add: Profit (Loss) for the year	<u>2565556</u>	<u>5645488</u>
Closing balance	<u>53132521</u>	50566965
TOTAL	<u><u>53132521</u></u>	<u><u>50566965</u></u>

3. Long-term borrowings

Loans and advances from related party

Unsecured From Tokyo Plast International Ltd	46369133	48332879
----------------------------------------------	----------	----------

4. Long Term Provisions

Provision for Employees Benefits- Gratuity	520066	371258
--------------------------------------------	--------	--------

5 Short Term Borrowings

Unsecured From Tokyo Plast International Ltd	50000000	50000000
----------------------------------------------	----------	----------

6 Trade payables

Micro, Small and Medium Enterprises	-	-
Others	168266	240533
TOTAL	<u><u>168266</u></u>	<u><u>240533</u></u>

TOKYO FINANCE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	As at March 31, 2016	As at March 31, 2015
7. Other current liabilities	Rs.	Rs.
Others Payables	8550129	8549367
Other Payables Includes statutory dues.		
8. Short-term provisions		
Provision for employee benefits	135134	249072
Others Payables (Provision for Income Tax)	5309930	4109930
TOTAL	5445064	4359002

9. FIXED ASSETS

Particulars	Gross Block			Depreciation			Net Block		
	Cost as on 1-Apr-2015	Additions	Deletions	Cost as on 31-Mar-2016	Upto 31-Mar-2015	Current Year	As on 31-Mar-2016	As on 31-Mar-2016	As on 31-Mar-2015
Office Premises	4265000	--	--	4265000	1468174	69068	1537242	2727758	2796826
Office Equipments	151500	--	--	151500	151500	--	151500	--	--
Computers	188170	--	--	188170	188170	--	188170	--	--
Furniture & Fixture	4144	--	--	4144	4144		4144	--	--
TOTAL	4608814	--	--	4608814	1811988	69068	1881056	2727758	2796826

10. Non-current investments

A. Trade Investments (at cost): Equity: Quoted, fully paid up:

In Shares of Enterprise where Key Managerial persons have significant influence

4,77,200 Fully Paid up Equity Shares of Rs.10/- each of Tokyo Plast International Ltd	6705300	6705300
TOTAL	6705300	6705300

Market Value of quoted investment as on 31.03.2016 is Rs.27916200 (Previous year Rs.10737000)

11. Long-term loans and advances Unsecured, considered good

Loans and advances to related party		
Tokyo Constructions Limited	112732470	114118395
Other Advances	17500000	17500000
TOTAL	130232470	131618395

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	As at March 31, 2016	As at March 31, 2015
	Rs.	Rs.
12. Cash and cash equivalents		
Cash On Hand	147455	312828
Balance in Current Accounts with Scheduled Bank	138546	2750235
TOTAL	286001	3063063
13. Short-term loans and advances to Others		
Unsecured, considered good	83729589	78921620
Unsecured, Doubtful	16991497	16991497
Less : Provision for Doubtful Debts	14291814	2699683
Balances with government authorities	6699427	6034617
Others	530451	4000
TOTAL	93659150	87659920
14. Income from operations		
Interest	16112799	15234657
Recovered from Substandard Loans	-	6500000
TOTAL	16112799	21734657
15. Employee benefits expense		
Salaries and Bonus	2335663	2129097
Gratuity Expenses	148808	102410
TOTAL	2484471	2231507
Interest	8628933	8612359
Bank charges	2485	2397
TOTAL	8631418	8614756
17. Other expenses		
Listing & Custodian Fees	248709	157340
Advertisement	104328	122736
Registrar & Shares transfer fees	71323	109848
Payments to auditors (Refer # below)	170000	170000
Provision for Substandard Loans	-	3160599
Miscellaneous Expenses	567926	390820
TOTAL	1162286	4111343
# Payment to Auditors		
Audit Fees	125000	125000
Tax Audit Fees	45000	45000
TOTAL	170000	170000

TOKYO FINANCE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

	As at March 31, 2016	As at March 31, 2015
18. Earning per share (EPS)	Rs.	Rs.
Profit / (Loss) for the year after taxation	2565556	5645488
Weighted average number of shares outstanding during the year	6942550	6942350
Earnings per share (Basic and Diluted) in Rs.	0.37	0.81
Face value per share in Rs.	10	10
19. Contingent liabilities	Nil	Nil

20 Related Party Disclosures

List of related parties and relationships:

Name of the Related Party

Relationship

Tokyo Plast International Limited

Enterprise where Key Managerial persons have significant influence

Tokyo Constructions Limited

"

Transactions during the year with related parties :

Nature of Transactions

Enterprise where Key Managerial persons have significant

Key management personnel

	2015-16	2014-15	2015-16	2014-15
Receiving of services	120000	120000	-	-
Loans and advances Given/(Received) net	(1385925)	7563988	-	-
Loans and advances Taken/(Paid) net	(1963746)	(1484233)	-	-
Balances outstanding at the end of the year				
Loans and advances Given	112732470	114118395	-	-
Loans and advances Taken	96369133	98332879	-	-
Investments	6705300	6705300	-	-

21 Disclosure pursuant to Accounting Standard 15 "Employee benefits"

Liability for gratuity has been determined by an actuary, appointed for the purpose, in conformity with the principles set out in the Accounting Standard 15 (revised) the details of which are as hereunder:

	2015-16	2014-15
Amount to be recognised in Balance Sheet		
Present Value of unfunded Obligations	520066	371258
Fair Value of Plan Assets	-	-
Net Liability	520066	371258
Amounts in Balance Sheet	520066	371258
Assets -	-	-
Net Liability	520066	371258

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2016

Expense to be Recognised in the Statement of Profit & Loss

Current Service Cost	95325	81333
Interest on Defined Benefit Obligation	28587	21508
Expected Return on Plan Assets	-	-
Net Actuarial Losses / (Gains) Recognized in Year	24896	-431
Total included in "Employee Emoluments"	-	-
Actual Return on Plan Assets	-	-

Reconciliation of Benefit Obligations & Plan Assets for the period**Change in Defined Benefit Obligation**

Opening Defined Benefit Obligation	371258	268848
Current Service Cost	95325	81333
Interest Cost	28587	21508
Actuarial Losses / (Gain)	24896	-431
Benefits Paid	-	-
Closing Defined Benefit Obligation	520066	371258

Change in Fair Value of Assets

Opening Fair Value of Plan Assets	-	-
Expected Return on Plan Assets	-	-
Actuarial Gain / (Losses)	-	-
Contributions by Employer	-	-
Benefits Paid	-	-
Closing Fair Value of Plan Assets	-	-

Summary of the Actuarial Assumptions

Discount Rate	7.70%	8.00%
Expected Rate of Return on Assets	-	-
Salary Escalation Rate	7.00%	7.00%

22. Borrowing Costs

No Borrowing Cost has been Capitalised during the year

23. Segment Information:

The Company is operating in a single segment. Hence, no separate segment wise information is given.

24. Disclosure in pursuant to AS-19 Leases

Operating Lease : The company has not taken any Premises on lease

25. Previous year's figures

Comparable figures have been regrouped/reclassified wherever necessary.

As per our report of even date

For and on behalf of the Board of Directors

FOR SWAMY & CHHABRA
Chartered Accountants

VELJI L SHAH - MANAGING DIRECTOR
DIN-7239

PAVAN CHHABRA
(Partner)
Membership No- 085553
Firm's Registration No - 113036W

HARESH V. SHAH - DIRECTOR
DIN-8339

Mumbai, Dated 30th May, 2016

Mumbai, Dated 30th May, 2016

TOKYO FINANCE LIMITED**TOKYO FINANCE LIMITED**

CIN:L65923DD1994PLC009783

Regd. Office : 363/1(1,2,3), Shree Ganesh Industrial Estate, Kachigaum Road, Daman, Daman & Diu - 396210

Email : info.tokyofinance@gmail.com Website : www.tokyofinance.in

**Form MGT-11
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)		E-Mail Id:	
Registered Address :		Folio No./* Client Id:	
		* DP Id:	

I/We, being the member(s) of _____ shares of Tokyo Finance Limited, hereby appoint:

- 1) _____ of _____ having E-Mail ID _____
or failing him
- 2) _____ of _____ having E-Mail ID _____
or failing him
- 3) _____ of _____ having E-Mail ID _____
or failing him

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22nd Annual General Meeting of the Company, to be held on 28th September, 2016 at 4.00 p.m. at Hotel Sovereign, Sea Face Road, Daman - 396210 (U.T.) and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolutions
Ordinary Business
1. To consider and adopt the Audited Standalone Financial Statement for the year ended 31st March, 2016 and the Report of Board of Directors and Auditors thereon.
2. Re-appointment of Mr. Haresh V. Shah, who retires by rotation and, being eligible, offers himself for re-appointment
3. Appointment of Auditors and fixing their remuneration
Special Business
4. Appointment of Mr. Velji L. Shah as Managing Director
5. Adoption of new set of Articles of Association of Company inter-alia pursuant to the Companies Act, 2013
6. To keep Registers of members at Office of the Company at Registrar and Share Transfer Agent at Mumbai (i.e. At a place other than Registered Office)
7. Approval to deliver document through a particular mode as may be sought by the member

Signed this ____ day of _____ 2016.

Signature of Shareholder

Rupee 1
Revenue
Stamp

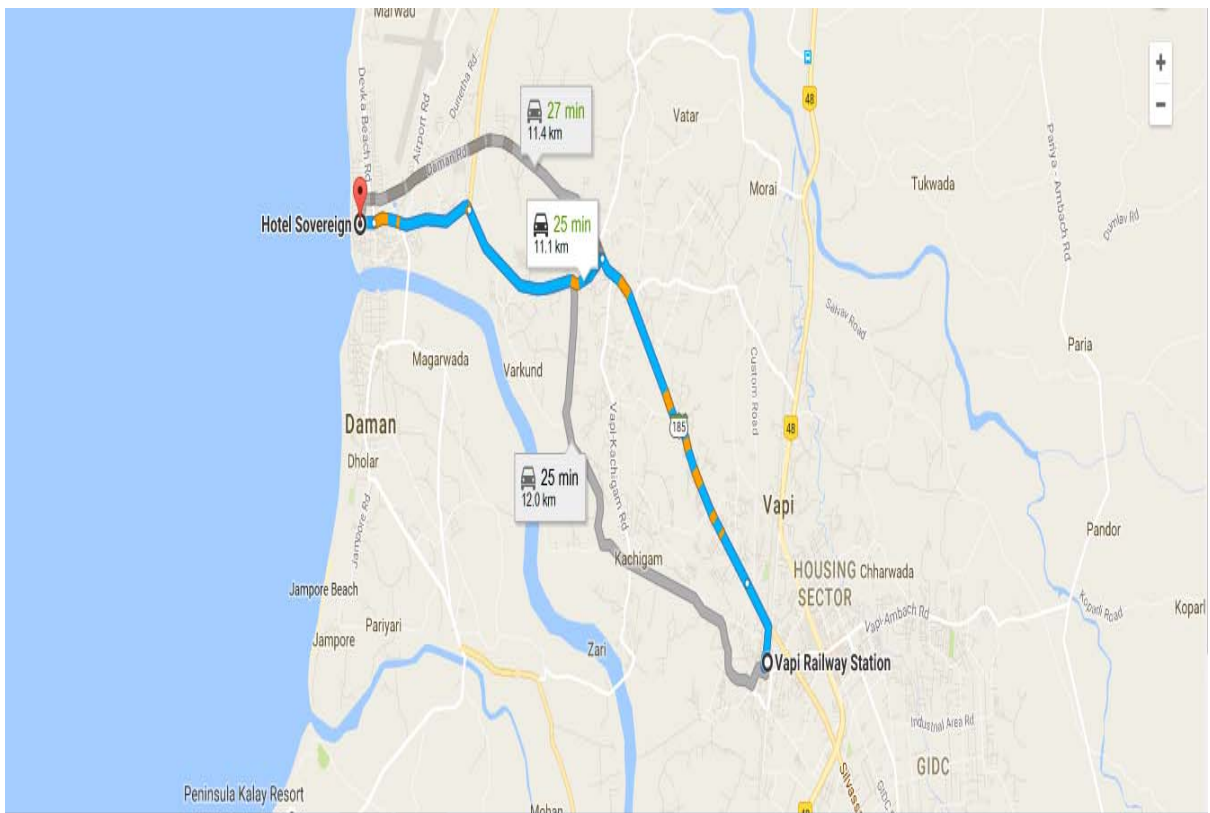
Signature of First Proxy Holder

Signature of Second Proxy Holder

Signature of Third Proxy Holder

Note : 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.

ROUTE MAP



Venue
Hotel Sovereign
Sea Face Road,
Daman-396210 (U.T.)

To,

If undelivered, please return to :

TOKYO FINANCE LIMITED

Registered Office

Plot No. 363/1(1,2,3),

Shree Ganesh Industrial Estate

Kachigaum Road, Daman

Daman & Diu - 396 210