

# **TOKYO FINANCE LIMITED**

**ANNUAL REPORT 2014-2015**

**TOKYO FINANCE LIMITED**

CIN : L65923MH1994PLC083155

**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**  
5th Floor, Vyom Arcade, Tejpal Scheme Road No.5, Above United Bank of India  
Vile Parle (East), Mumbai - 400 057

**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

<b>TWENTY FIRST ANNUAL GENERAL MEETING</b>	<b>CONTENTS</b>
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**NOTICE**

**NOTICE** is hereby given that the Twenty First Annual General Meeting of the shareholders of Tokyo Finance Limited (CIN-L65923MH1994PLC083155) will be held at Gomantak Seva Sangh Hall, 1<sup>st</sup> Floor, Malviya Road, Vile Parle (East), Mumbai – 400 057 on September 30, 2015 at 11.00a.m. to transact the following business:

**Ordinary Business:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2015, 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. Harsh Velji 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 20<sup>th</sup> Annual General Meeting until 23<sup>rd</sup> 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 consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution.

**"RESOLVED that** pursuant to the provisions of section 149, 150, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mrs. Jagruti Mayurbhai Sanghavi, (DIN: 07144651), who was appointed as an Additional Director pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who hold office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for 5 consecutive years upto the conclusion of Twenty Sixth Annual General Meeting of the Company to be held in the calendar year 2020 and not liable to retire by rotation."

Place: Mumbai

For and on behalf of Board

Date: 30.05.2015

Velji L. Shah  
Director

Haresh V. Shah  
Director

**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.

## TOKYO FINANCE LIMITED

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.

2. The Register of members and the share transfer books of the company will remain closed from 24th September, 2015 to 30th September, 2015 (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. Website : Sharexindia.com, Email ID sharexindia@vsnl.com
4. The Annual Report 2014-15 as circulated to the members of the Company is also available on the website of the Company [www.tokyofinance.in](http://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. The Company is providing facility for voting by electronic means in compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and the revised Clause 35B of the Listing Agreement.
  - 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 27, 2015 (9.00 a.m.) and ends on September 29, 2015 (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 23rd September 2015, 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](http://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](http://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
<b>PAN</b>	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>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.</li> <li>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.</li> </ul>
<b>DOB</b>	Enter the Date of Birth as recorded in your demat account or in the company records for the said format account or folio dd/mm/yyyy format.
<b>Dividend Bank Details</b>	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If 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)</li> </ul>

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

(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.

(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.

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- (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](http://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](mailto: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](mailto: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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (xx) The Members, who have voted electronically, are not eligible to vote by polling.
- (xxi) 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 23, 2015.
  - 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](mailto:sharexindia@vsnl.com) for password generation and other details with respect to e-voting.
  - c. Shri Virendra 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).
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 :

The Board of Directors of the Company at its meeting held on 28th March, 2015 had appointed Mrs. Jagruti Mayurbhai Sanghavi, (DIN: 07144651), as Additional Director who holds her office only upto this Annual General Meeting. Pursuant to provisions of section 161(1) and other applicable provisions of the Companies Act, 2013 and Articles of Association, the Company has received a notice from a shareholder proposing her candidature for the office of Director along with requisite deposit.

**A Brief Profile of Mrs. Jagruti Mayurbhai Sanghavi :**

**Mrs. Jagruti Mayurbhai Sanghavi** (DIN: 07144651), she is not disqualified from being appointed as a Director in terms of Section 164 of the Companies Act, 2013 and has given her consent to act as a Director of the Company. In terms of Section 149 and any other applicable provisions of the Companies Act, 2013, being eligible and offering herself for appointment as an Independent Director, is proposed to be appointed as an Independent Director for five consecutive years upto conclusion of Twenty Sixth Annual General Meeting to be held in the calendar year 2020. A notice has been received from a member proposing Mrs. Jagruti Mayurbhai Sanghavi as a candidate for the office of Director of the Company

In the opinion of the Board, Mrs. Jagruti Mayurbhai Sanghavi fulfills the conditions specified in the Companies Act, 2013 and Rules made there under for her appointment as an Independent Director of the Company and is independent of the management. Copy of the draft letter for appointment of Mrs. Jagruti Mayurbhai Sanghavi, as an Independent Director, is proposed to be appointed as an Independent Director for five consecutive years upto conclusion of Twenty Sixth Annual General Meeting to be held in the calendar year 2020. A notice has been received from a member proposing Mrs. Jagruti Mayurbhai Sanghavi as a candidate for the office of Director of the Company. Accordingly, the Board recommends the resolution in relation to appointment of Mrs. Jagruti Mayurbhai Sanghavi as an Independent Director, for the approval by the shareholders of the Company.

Under the Companies Act, 2013, Independent Directors can only receive fees under the provisions of Section 197(5) and reimbursement of expenses for participation in the Board Meeting. Accordingly, approval of the members is also being sought for the purposes of payment of fees which amount may be decided by the Board / Nomination and Remuneration Committee from time to time, subject to the limits prescribed under the Companies Act, 2013 and as may be prescribed under the Rules that are passed or may be passed from time to time.

The Resolution is recommended for your approval.

None of the Directors and Key Managerial Personnel of the Company is interested in the resolution.

Place: Mumbai

For and on behalf of Board

Date: 30.05.2015

Velji L. Shah  
Director

Haresh V. Shah  
Director

**DETAILS OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING**  
**(Pursuant to Clause 49 of the Listing Agreement)**

Particulars	Mr. Haresh Velji Shah	Mrs. Jagruti Mayurbhai Sanghavi
Date of Birth	16/08/1974	06/06/1986
Date of Appointment	01/07/1996	28/03/2015
Qualifications	Graduate in Plastic Industry	Under Graduate
Expertise in specific functional areas	15 Years experience in Plastic Industry.	Social Service
Directorship in other Public Limited Companies	Tokyo Plast International Limited Tokyo Constructions Limited Tokyo Exim Limited	Tokyo Plast International Limited
Membership of Committees another Public Limited Companies	Stakeholders Relationship Committee & CSR Committee of Tokyo Plast International Limited.	Nomination & remuneration Committee & Audit Committee of Tokyo Plast International Limited.
Number of shares held in the Company	39100	--

## TOKYO FINANCE LIMITED

### BOARD REPORT

To the Members,

Your Directors have pleasure in submitting the Twenty First Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2015

#### **FINANCIAL RESULTS**

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

(Rs. In Lacs)		
Particulars	2014-15	2013-14
Revenue from operations	217.35	159.79
Profit for the year before Tax	67.08	330.61
Tax expenses	10.62	67.73
<b>Net Profit after Tax</b>	<b>56.46</b>	<b>(32.10)</b>
Surplus carried over to Balance Sheet	56.46	(32.10)

The Company recorded a gross turnover of Rs.217.35 lacs up from Rs.159.79lacs of the previous Financial Year and the net profit of the year is Rs.56.46 Lacs from Loss of Rs.32.10 Lacs of previous year.

#### **DIVIDEND**

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

#### **TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

Since there was no unpaid/unclaimed Dividend declared and paid last year, the provisions of Section 125 of the Companies Act, 2013 do not apply.

#### **REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS**

The company's funds are invested mostly in advances to known parties. With the interest rate structure scenario in the country witnessing a downward revision, the company's income / profit levels are expected to be more or less stagnant in the immediate future.

#### **MANAGEMENT DISCUSSION AND ANALYSIS REPORT:**

As required under Clause 49 of the Listing Agreements with Stock Exchanges, the Management Discussion and Analysis Report is enclosed as a part of this report.

#### **CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:**

Your Company has taken adequate steps to adhere to all the stipulations laid down in Clause 49 of the Listing Agreement. A report on Corporate Governance is included as a part of this Annual Report. Certificate from the Statutory Auditors of the company M/s. Swamy & Chhabra, Chartered Accountants confirming the compliance with the conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement is included as a part of this report.



**LISTING WITH STOCK EXCHANGES:**

The Company confirms that it has paid the Annual Listing Fees for the year 2015-16 to BSE where the Company's Shares are listed.

**DEMATERIALISATION OF SHARES:**

The Company's equity shares are under compulsory demat trading. Electronic holding by Members comprising 81.40 % of the total equity of the Company through the National Securities Depository Limited (47.68%) and Central Depository Services (India) Limited (33.72%).

**NUMBER OF BOARD MEETINGS HELD :**

The Board of Directors duly met 11 times during the financial year from 1st April, 2014 to 31st March, 2015. The dates on which the meetings were held are as follows : 14th April, 2014, 21st April, 2014, 29th May, 2014, 12th August, 2014, 20th August, 2014, 6th October, 2014, 20th October, 2014, 14th November, 2014, 7th March, 2015, 20th March 2015 and 28th March, 2015.

**DIRECTORS:**

Confirmation of Appointment :

Pursuant to the provisions of the section 161(1) of the Companies Act, 2013 read with the Articles of Association of the company, Mrs. Jagruti Mayurbhai Sanghavi is appointed as Additional Director and she shall hold office only up to the date of this Annual General Meeting.

Appointment of Independent Directors :

Mrs. Jagruti Mayurbhai Sanghavi, who is Proposed to be appointed as Independent Director possess appropriate balance of skills, expertise and knowledge and is qualified for appointment as Independent Director. Your Directors recommend the appointment of Mrs. Jagruti Mayurbhai Sanghavi as Independent Director in the notice for the Annual General Meeting.

**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, 2015, 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.

## **TOKYO FINANCE LIMITED**

### **DECLARATION BY INDEPENDENT DIRECTORS :**

The Independent Directors have submitted the declaration of independence, as required pursuant to the Section 149(7) of the Companies Act, 2013 stating that they meet criteria of independence as provided in sub section (6).

### **DIRECTORS' REMUNERATION POLICY AND CRITERIA FOR MATTERS UNDER SECTION 178 :**

Information regarding Directors' Remuneration Policy and criteria for determining qualification positive attributes, independence of a director and other and other matters provided under sub- section (3) of section 178 are provided in the Corporate Governance Report.

### **AUDIT OBSERVATIONS :**

Auditors' observations are suitably explained in notes to the Accounts and are self-explanatory.

### **AUDITORS:**

Statutory Auditors :

The Auditors, M/s. Swamy & Chhabra, Chartered Accountants was appointed in the 20<sup>th</sup> Annual General Meeting for upto 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.

Secretarial Audit :

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 submitted by Company Secretary in Practice is enclosed as a part of this report Annexure-A.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO :**

The Company does not have any activities which entail the consumption of energy and technology absorption. There was no foreign exchange earnings or outgo of the company during the current year.

### **VIGIL MECHANISM :**

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

### **RELATED PARTY TRANSACTIONS :**

Related party transactions that were entered during the financial year were on an arm's length basis and were in the ordinary course of business. Details of material contracts or arrangements or transactions with Related Parties on an arm's length basis with respect to transactions covered under Section 188 (1) of the Act in the prescribed Form No. AOC-2 is attached as Annexure-B.

Further, details of related party Transaction as required to be disclosed by Accounting Standard- 18 on Related Party Disclosures" specified under Section 133 of the Act, read with Rule 7 of Companies (Accounts) Rule, 2014, are given in the notes to Financial Statements.

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.

### **EXTRACT OF ANNUAL RETURN :**

The details forming part of the extract of the Annual Return in Form MGT-9 is annexed herewith as Annexure-C

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS :**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.