

# **TOKYO FINANCE LIMITED**

**ANNUAL REPORT 2016-2017**

## ANNUAL REPORT 2016 - 2017

CIN : L65923DD1994PLC009783

### BOARD OF DIRECTORS

Shri Velji L. Shah  
Chairman & Managing Director

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 THIRD ANNUAL GENERAL MEETING

Date : 28th September, 2017

Time : 5.00 P.M.

Venue : Hotel Sovereign

Sea Face Road,

Daman - 396 210

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**NOTICE**

Notice is hereby given that the Twenty Third 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, 2017 at 05.00 p.m. to transact the following business:

**Ordinary Business:**

1. To receive, consider and adopt the Audited Standalone Financial Statement for the year ended 31st March, 2017 and the Report of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Hareesh V. Shah Director, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint statutory Auditor of the Company

“RESOLVED THAT pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s. Vinodchandra R Shah & Co, Chartered Accountant, (Firm Registration No. 115394W) be and is hereby appointed as the Statutory Auditors of the Company, to hold the office from the conclusion of this Annual General Meeting till the conclusion of 28th Annual General Meeting of the Company, subject to ratification as to the said appointment at every Annual General Meeting, at a remuneration to be decided by the Board of Directors.

**IMPORTANT NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT PROXY/PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY/PROXIES NEED NOT BE A MEMBER OF THE COMPANY.**
  - a. 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.
  - b. A person can act as a proxy on behalf of Members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A Member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. The Register of members and the share transfer books of the company will remain closed from 21st September, 2017 to 28th September, 2017 (both days inclusive).
3. Members are requested to notify the change in address or bank details or to update their e-mail Id. The said information should be submitted 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: [www.sharexindia.com](http://www.sharexindia.com), email ID: [sharexindia@vsnl.com](mailto:sharexindia@vsnl.com) if the shares are held in physical form and to the concerned Depository Participants ('DP'), if the shares are held in electronic form.

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4. The Annual Report 2016-17 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 desirous of obtaining any information concerning the accounts of the Company are requested to send their queries to the Company at least seven days before the date of the Meeting. Replies will be provided only at the meeting.
6. Members, Proxies and Authorised Representatives are requested to bring to the meeting, the Attendance Slip, duly completed and signed, mentioning therein details of their DP ID and Client ID / Folio No.

**7. Voting through electronic means:**

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 Central Depository Services Limited ('CDSL').

Facility of voting through Ballot Paper shall be made available at the AGM. Members attending the AGM, who have not cast their vote by remote e-voting shall be able to exercise their right at the AGM.

Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

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

- (i) The voting period begins on Monday, 25th September, 2017 at 9.00 a.m. (IST) and ends on Wednesday, 27th September, 2017 at 5.00 p.m. (IST). The e-voting module shall be disabled by CDSL for voting there after.
- (ii) The 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, 2017 may cast their vote through e-voting or voting at the AGM.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) 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.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) 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.

- (viii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
<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> <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 RA 00000001 in the PAN field.</p>
<b>Dividend Bank Details OR DOB</b>	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</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 (v).</p>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for Tokyo Finance Limited on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) 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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(xix) 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 [tohelpdesk.evoting@cdslindia.com](mailto:tohelpdesk.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.

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

(xxi) General:

- a. The voting rights of shareholders shall be in proportion to their shares of the paid-up Equity Share Capital of the Company as of the cut-off date.
- b. A person who acquires shares of the Company and becomes member of the Company after dispatch of the Notice and holding shares as of the cut-off date i.e. 21st September, 2017 may obtain the Login ID and Password by sending a request at [sharexindia@vsnl.com](mailto:sharexindia@vsnl.com).
- c. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only.
- d. Mr. Virendra Bhatt, Practicing Company Secretary (ACS No. 1157, CPNo. 124) has been appointed as Scrutinizer to scrutinize the remote e-voting process and voting at the venue of AGM in a fair and transparent manner.
- e. The Scrutinizer, after scrutinizing the votes cast through e-voting and Ballot Paper, not later than 48 hours from the conclusion of the AGM, make a scrutinizer’s report and submit the same to the Chairman or any Director authorized by the Board.
- f. Results will be uploaded on the Company’s website and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com) and the same shall also be communicated to BSE.
- g. The Results on resolutions will be deemed to be passed on the AGM date subject to receipt of requisite number of votes in favour of the resolutions.

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8. The details of Director seeking re-appointment at the forthcoming Annual General Meeting (pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard - 2 issued by The Institute of Company Secretaries of India, are furnished below:

Name	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	21 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 And On Behalf of the Board of Directors

Place : Mumbai  
Date : 30th May, 2017

Velji L. Shah  
Chairman & Managing Director  
DIN: 00007239

**Registered Office :**

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

## TOKYO FINANCE LIMITED

### **BOARD REPORT**

To,  
The members,  
Tokyo Finance Limited

Your Directors have pleasure to present their Twenty Third Annual Report on the business and operations of the Company along with the Audited Financial Statements for the financial year ended on 31st March, 2017.

#### **Financial Results**

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

[Rs. in Lacs]

Particulars	2016-17	2015-16
Revenue from Operations	161.89	161.13
Profit for the year before tax	-65.70	37.66
Tax expenses	-2.05	12.00
<b>Net Profit after Tax</b>	<b>-63.65</b>	<b>25.66</b>
Surplus Carried over to Balance Sheet	-63.65	25.66

#### **Review of Operations**

The Company recorded a gross turnover of Rs.161.89 lacs from Rs.161.13 lacs of the previous Financial Year. The Company has incurred net loss of Rs. 63.65 lacs from net profit of Rs.25.66 lacs of previous year.

#### **Dividend**

No Dividend was declared for the current financial year.

#### **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 Board of directors of the Company have appointed M/s. Vinodchandra R Shah & Co, Chartered Accountant, (Firm Registration No. 115394W) as the Statutory Auditors of the Company, subject to the approval of shareholders at the ensuing AGM to hold the office from the conclusion of this Annual General Meeting till the conclusion of 28<sup>th</sup> Annual General Meeting of the Company, subject to ratification as to the said appointment at every Annual General Meeting, at a remuneration to be decided by the Board of Directors

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.

M/s. Swamy & Chhabra, Chartered Accountants (FRN: 113036W) were appointed in the 20<sup>th</sup> Annual General Meeting up to 23<sup>rd</sup> Annual General Meeting. There is no reservation, qualification or adverse remark contained in the Statutory Auditors' Report attached to Balance Sheet as at 31st March, 2017. Information referred in Auditors' Report are self-explanatory and do not call for any further comments.

**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 2016-17 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 based on the size of the Company and looking for the same. 19600 equity shares of a promoter are in physical form which is in process of being dematerialized. 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 2016-17.

He has submitted Internal Audit Report for the financial year 2016-17 to the Board. No major audit observations were observed during the Internal Audit.

**Extract of the annual return**

The details forming part of the extract of the Annual Return in Form MGT-9 is enclosed herewith 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**

Board has not received any candidature for directors' appointment and none of the Key Managerial Personnel have resigned during the year under review.

**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](http://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 the Directors individually. 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, 2017, 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.