

TOKYO FINANCE LIMITED

ANNUAL REPORT 2017-2018

ANNUAL REPORT 2017 - 2018

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

Vinodchandra R. Shah & Co.
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 FOURTH ANNUAL GENERAL MEETING

Date : 29th September, 2018

Time : 4.15 P.M.

Venue : Hotel Sovereign

Sea Face Road,

Daman - 396 210

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NOTICE

Notice is hereby given that the Twenty Fourth 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 29, 2018 at 04.15 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, 2018 and the Report of the Board of 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.

SPECIAL BUSINESS:

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

“RESOLVED that pursuant to section 196(3) read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the Members of the Company be and is hereby granted for continuation of holding of office of Executive Chairman by Shri Velji L. Shah (DIN 00007239) who has attained the age of 70 (Seventy) years as on February 21, 2018 up to the expiry of his present term of office, on the existing terms and conditions as mentioned in the agreement dated February 5, 2016 duly approved by the shareholders through a special resolution passed at the Annual General Meeting held on September 28, 2016.”

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

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 22nd September, 2018 to 29th September, 2018 (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: Sharexindia.com, Email ID: 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 2017-18 as circulated to the members of the Company is also available on the website of the Company 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 Authorized Representatives are requested to bring to the meeting, the Attendance Slip enclosed herewith, 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 Wednesday, 26th September, 2018 at 9.00 a.m. (IST) and ends on Friday, 28th September, 2018 at 5.00 p.m. (IST). The e-voting module shall be disabled by CDSL for voting thereafter.
- (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 22nd September, 2018 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.
- (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 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:

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 (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, and 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 favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (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. 22nd September, 2018 may obtain the Login ID and Password by sending a request at 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, CP No. 124) has been appointed as Scrutinizers 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 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.

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

Item No. 3.

The Shareholders of the Company at the 22nd Annual General Meeting held on September 28, 2016 approved the appointment of Shri. Velji L. Shah (DIN : 00007239) as Managing Director of the company for a period of 5 years w.e.f.05.02.2016 through a special resolution under the relevant 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.

Shri. Velji L. Shah Executive Chairman & Managing director has attained the age of 70 years during February, 2018.

In view of the introduction of the Companies Act, 2013 with effect from 1st April 2014 and also for an abundant precaution, the Company seeks consent of the members by way of special resolution for continuation of his holding of existing office after the age of 70 years during the prevalence of their term of appointment under the provisions of Section 196 (3) (a) of the Companies Act, 2013. The Board therefore recommends the special resolutions for your approval.

Except Shri Haresh V. Shah, 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	23 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 : 11th August, 2018

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 - 396210

TOKYO FINANCE LIMITED

BOARD REPORT

To,
The members,
Tokyo Finance Limited

Your Directors have pleasure to present their Twenty Fourth Annual Report on the business and operations of the Company along with the Audited Financial Statements for the financial year ended on 31st March, 2018.

Financial Results

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

(Rs. In Lakhs)		
Particulars	2017-18	2016-17
Revenue from operations	154.18	161.89
Profit for the year before Tax	4.55	-65.70
Tax expenses	5.08	-2.05
Net Profit after Tax	-0.53	-63.65
Surplus carried over to Balance Sheet	-0.53	-63.65

Review of Operations

The Company recorded a gross turnover of Rs. 154.18, reduced from Rs.161.89 lakhs of the previous Financial Year. The Company has incurred net loss of Rs.00.53 against loss of Rs.63.65 lakhs 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

Pursuant to the provisions of Section 139 of the Act read with Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. Vinodchandra R Shah & Co, Chartered Accountant, (Firm Registration No. 115394W), were appointed as statutory auditors from the conclusion of the twenty-third Annual General Meeting (AGM) held on September 28, 2017 till the conclusion of the twenty-eighth AGM of the Company in 2022, subject to the ratification of their appointment at every AGM, if required under law.

In accordance with the Companies Amendment Act, 2017, enforced on 7th May, 2018 by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting.

B. Secretarial Auditor

The Board has appointed Mr. Virendra Bhatt, Practicing Company Secretary, (M. No.: 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 2017-18 is attached herewith as Annexure –1 signed by Ms. I. Javeri, Associate of Mr. Virendra Bhatt.

Company is yet not able to find suitable candidates to be appointed as CFO and Company Secretary 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 2017-18.

He has submitted Internal Audit Report for the financial year 2017-18 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.

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, 2018, 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.