



Tilak Ventures Limited

(Formerly: Tilak Finance Limited)
CIN: L65910MH1980PLC023000

Regd Off: E/109, Crystal Plaza,
Opp. Infinity Mall, New Link Road,
Andheri (West), Mumbai - 400053

Tel : 022-61522222 | Fax : 022-61522234 | Email Id : tilakfin@gmail.com | Website : www.tilakfinance.com

Date: 03/10/2016

To,
The Director- Investor Services & Listing
The Stock Exchange - Mumbai
1st Floor, New Trading Ring,
P. J. Tower, Dalal Street
Mumbai – 400 001

BSE Scrip Code: 503663

Sub: Submission of 35th Annual Report for the F.Y.2015-16


Dear Sir,

As per Regulation 34 of the Listing Regulation please find enclosed 35th Annual Report of Tilak Ventures Limited for the Financial Year 2015-2016.

Kindly take into your record.

Thanking You

Yours Faithfully,
For Tilak Ventures Limited


Girraj Kishor Agrawal
[Managing Director]



TILAK VENTURES LIMITED

(FORMERLY TILAK FINANCE LIMITED)

35th ANNUAL REPORT 2015-2016

REGD. OFF: E-109, CRYSTAL PLAZA, OPP. INFINITY MALL, NEW LINK
ROAD, ANDHERI (WEST), MUMBAI - 400053



| Particulars | Page No. |
|--|-----------------|
| Corporate Information | 3 |
| Notice | 4 |
| Procedure and Instruction for E-voting | 6 |
| Explanatory Statement to Resolutions | 8 |
| Additional information of Directors seeking Re-Appointment/Appointment | 10 |
| Board of Directors' Report | 12 |
| Report on Corporate Governance | 31 |
| Management Discussion and Analysis Report | 40 |
| CEO/CFO Certification | 43 |
| Auditors' Report | 44 |
| Annexure to Auditors' Report | 46 |
| Balance Sheet | 50 |
| Profit & Loss A/c | 51 |
| Cash Flow Statement | 52 |
| Notes forming part of Financial Statement | 53 |
| Attendance Slip | 67 |
| Proxy Form | 67 |
| Ballot Paper | 68 |
| Route Map | 70 |

CORPORATE INFORMATION**BOARD OF DIRECTORS**

Mr. Girraj Kishor Agrawal, Managing Director
Ms. Seema Sidhu, Independent & Non Executive Director
Ms. Swati Shinde, Independent & Non Executive Director
Mr. Hardik Kabariya, Independent & Non Executive Director
Ms. Hiteshi Shah, CFO

COMPANY SECRETARY & COMPLIANCE OFFICER

Shruti Shah

BANKERS

Kotak Mahindra Bank Limited
Axis Bank Limited
DCB Bank Limited
RBL Bank Limited

REGISTERED OFFICE

E/109, Crystal Plaza, New Link Road,
Opp. Infinity Mall, Andheri (West),
Mumbai - 400053

Tel: 022-61522222 Fax: 022-61522234

Email Id: tilakfin@gmail.com

Website: www.tilakfinance.com

CORPORATE IDENTIFICATION NUMBER (CIN)

L65910MH1980PLC023000

AUDITORS

M/s Pravin Chandak & Associates
Chartered Accountants
Mumbai

SECRETARIAL AUDITOR

M/s. P. D. Pandya & Associates
Mumbai

INTERNAL AUDITOR

M/s. A. M. Gohel & Associates
Mumbai

REGISTRARS & SHARE TRANSFER AGENT

Sharex Dynamic (India) Pvt Ltd
Unit 1, Luthra Indl. Premises,
Safed Pool, Andheri Kurla Road,
Andheri East, Mumbai – 400072
Tel: 022-28515606
Email Id: sharex@vsnl.com

Notice of 35th Annual General Meeting

Notice is hereby given that the 35th Annual General Meeting of the Members of M/s. Tilak Ventures Limited (Formerly known as M/s. Tilak Finance Limited) will be held on Friday, 30th September, 2016 at 02.0 P.M at Registered Office of the Company at E-109, Crystal Plaza, New Link Road, Opp. Infinity Mall, Andheri (West), Mumbai- 400053 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited financial statements for the financial year ended 31st March, 2016, and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Girraj Kishor Agrawal (DIN: 00290959), Managing Director, (though not liable to retire by rotation but pursuant to Article 121(iii) of the Articles of Associations) who retire by rotation in compliance of the provisions of Section 152 of the Companies Act, 2013 (hereinafter called "the Act") and being eligible, offers himself for re-appointment.
3. To ratify the appointment of M/s. Pravin Chandak & Associates, Chartered Accountants, Mumbai (Registration No. 116627W) as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 36th Annual General Meeting and to authorise the Board of Directors to fix their remuneration for the Financial Year 2016-17.

SPECIAL BUSINESS

4. **To regularize the appointment of Ms. Swati Shinde (DIN: 07286912) as an Independent Non- Executive Director.**

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with schedule IV and other applicable provisions of The Companies Act, 2013 and the Companies (Appointment & Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 16 and 27 of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 Ms. Swati Shinde (DIN: 07286912), who was appointed as an Additional Director pursuant to the Provisions of section 161(1) of The Companies Act, 2013 and the Articles of association of the Company and who holds office up to the date of this Annual general Meeting and in respect of whom the Company has received a notice in writing from a member under section 160 of The Companies Act, 2013 proposing her candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years from 21/09/2015 up to 20/09/2020, not liable to retire by rotation.

5. **To regularize the appointment of Mr. Hardik Kabariya (DIN: 07566240) as an Independent Non- Executive Director.**

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with schedule IV and other applicable provisions of The Companies Act, 2013 and the Companies (Appointment & Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Regulation 16 and 27 of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 Mr. Hardik Kabariya (DIN: 07566240), who was appointed as an Additional Director pursuant to the Provisions of section 161(1) of The Companies Act, 2013 and the Articles of association of the Company and who holds office up to the date of this Annual general Meeting and in respect of whom the Company has received a notice in writing from a member under section 160 of The Companies Act, 2013 proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years from 30/05/2016 up to 29/05/2021, not liable to retire by rotation.

6. **Approval for Related Party Transaction**

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

"Resolved That in continuation of earlier resolution passed in this behalf and pursuant to the provisions of Section 188, if and to the extent applicable, and other applicable provisions of the Act read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in

force) and Regulation 23(4) of the SEBI (Listing Obligations And Disclosure Requirements) Regulations, as amended from time to time, consent of the Company be and is hereby accorded to the Board to enter into any and all transactions/contracts/arrangements with the 'related party' as defined in the Act and Regulation 2(zb) of the Listing Regulation and mentioned in below table, relating to sale, purchase or supply of any goods or materials, selling or otherwise disposing of, or buying, leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials, services or property or otherwise disposing of any goods, materials or property or availing or rendering of any services or appointment of such related party to any office or place of profit in the Company or its subsidiary or associate or promoter group Company, making of loans to, and/or giving of guarantees or providing security and/or making of investments and the purchase from and/or sale to it of any securities by the Company, or any combination thereof, etc on such terms and conditions as the Board in its absolute discretion may deem fit provided however that the aggregate amount/value of all such transactions/contracts/arrangements that may be entered into and remaining outstanding at any time shall not exceed Rs.50 Crores with each related parties respectively during any financial year."

| Sr. No. | Name of Related Parties | Nature of Relationship | Nature of transaction | Amount |
|---------|--------------------------------------|--------------------------|--|-----------|
| 1 | M/s. Axon Ventures Limited | Group Company | To enter in to transaction relating sale, purchase or supply of any goods or materials, selling or otherwise disposing of, or buying, leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials, services or property or otherwise disposing of any goods, materials or property or availing or rendering of any services or appointment of such related party to any office or place of profit in the Company or its subsidiary or associate Company, making of loans to, and/or giving of guarantees or providing security on behalf of the Company (Related Party) and/or making of investments in the securities of the Company and the purchase from and/or sale to it of any securities by the Company, or any combination thereof, etc. | 50 Crores |
| 2 | M/s. Rockon Enterprises Limited | Group Company | | 50 Crores |
| 3 | M/s. Proaim Enterprises Limited | Group Company | | 50 Crores |
| 4 | M/s. Banas Finance Limited | Group Company | | 50 Crores |
| 5 | M/s. Five X Tradecom Limited | Group Company | | 50 Crores |
| 6 | M/s. Handful Investrade Pvt Ltd | Group Company | | 50 Crores |
| 7 | M/s. Agrawal Bullion Limited | Group Company | | 50 Crores |
| 8 | M/s. Kayaguru Capital Market Pvt Ltd | Group Company | | 50 Crores |
| 9 | M/s. Rockon Capital Market Pvt Ltd | Group Company | | 50 Crores |
| 10 | Mr. Girraj Kishor Agrawal | Promoter & Director | | 50 Crores |
| 11 | M/s. Girraj Kishor Agrawal HUF | Promoter & Related Party | | 50 Crores |
| 12 | Mrs. Tanu Agarwal | Promoter & Related Party | | 50 Crores |

"Resolved Further That the Board be and is hereby authorised to do all such acts, deeds, matters and things as may be necessary, proper or expedient for the purpose of giving effect to the above resolution."

REGISTERED OFFICE:

E/109, Crystal Plaza,
New Link Road, Andheri (West),
Mumbai - 400053
Date: 13/08/2016

By Order of the Board

Sd/-
Girraj Kishor Agrawal
(Chairman & Managing Director)

IMPORTANT COMMUNICATION TO MEMBERS – GREEN INITIATIVE IN CORPORATE GOVERNANCE

The Ministry of Corporate Affairs (MCA) has taken a Green Initiative in Corporate Governance by allowing paperless compliances by the Companies and has issued a Circular stating that service of all documents including Annual Reports can be sent by e-mail to its Members. Your Company believes that this is a remarkable and environment friendly initiative by MCA and requests all Members to support in this noble cause.

The Company has already embarked on this initiative and proposes to send documents including Annual Reports in electronic form to the Members on the email address provided by them to the R&T Agent/the Depositories.

The Members who hold shares in physical form are requested to intimate/update their email address to the Company/R&T Agent while Members holding shares in demat form can intimate/update their email address to their respective Depository Participants.

Members are requested to further note that they will be entitled to be furnished, free of cost, the physical copy of the documents sent by e-mail, upon receipt of a requisition from them, any time, as a Member of the Company.

Notes:

A MEMBER IS ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY IN ORDER TO BE VALID MUST BE DULY FILLED IN ALL RESPECTS AND SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A person can act as proxy on behalf of Members not exceeding 50 (fifty) in number and holding in the aggregate not more than ten percent of the total issued and paid up share capital of the Company. Proxies submitted on behalf of the companies, societies, etc., must be supported by an appropriate resolution / authority, as applicable. A member holding more than 10% of the total issued and paid up share capital of the Company may appoint a single person as proxy and such person shall not act as a proxy for any other person or member.

1. The relevant explanatory Statements to be annexed to the Notice pursuant to Section 102 of the Companies Act, 2013 (hereinafter called “the Act”), which sets out details relating to the Special Business to be transacted at the meeting is annexed hereto.
2. Members are requested to:
 - i. bring their copies of the annual report and the attendance slip duly completed and signed at the meeting.
 - ii. quote their respective folio numbers or DP ID and Client ID numbers for easy identification of their attendance at the meeting.
3. Bodies Corporate, who are the members of the Company, are requested to send in advance duly certified copy of Board Resolution authorizing their representative to attend and vote at the annual general meeting.
4. The Register of Members and the Transfer Book of the Company will remain closed from 21/09/2016 to 23/09/2016 (both days inclusive).
5. The Securities & Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form, are, therefore requested to submit their PAN to their Depository Participants with whom they are maintaining their Demat Account. Members holding their shares in Physical Form can submit their PAN details to the share transfer agent (M/s. Sharex Dynamic (India) Private Limited) of the Company.
6. Members are requested to notify immediately any change in their address details to the Company’s Registrar and share transfer agents for shares held in demat/physical form at: M/s. Sharex Dynamic (India) Private Limited, at Unit 1, Luthra Ind Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai – 400072.
7. Pursuant to the provisions of Sections 101 and 136 of the Act read with ‘The Companies (Accounts) Rules, 2014’ electronic copy of the Annual Report for financial year 2015-2016 is being sent to those members whose email IDs are registered with their respective Depository Participant(s) (DPs), the company or Sharex Dynamic (India) Pvt. Ltd. unless any member has requested for a hard copy of the same. For members who have not registered their email address so far, are requested to promptly intimate the same to their respective DPs or to the Company/ Sharex Dynamic (India) Pvt. Ltd., as the case maybe. Physical copies of the Annual Report for the year 2015-2016 will be sent in the permitted mode in cases where the email addresses are not available with the Company.
8. Electronic copy of the Notice convening the 35th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members who hold shares in dematerialized mode and whose email addresses are registered with their respective Depository Participants. For those members who have not registered their email address, physical copies of the said Notice inter alia indicating the process and manner of e-voting along with attendance slip and proxy form is being sent in the permitted mode.
9. Members may also note that the Notice of the 35th Annual General Meeting and the Annual Report for 2015-2016 will also be available on the Company’s website www.tilakfinance.com, which can be downloaded from the site. The physical copies of the aforesaid documents will also be available at the Company’s registered office in Mumbai for inspection during normal business hours on all the working days except Saturdays and Sundays.
10. **Voting through electronic means:**
 - i. In compliance with provisions of Section 108 of the Act, Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulation, the Company provides to its members, the

facility to exercise their right to vote on resolutions proposed to be considered at the Thirty fifth Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).

- II. The facility for voting through ballot paper shall also be made available at the AGM and the members attending the meeting shall be able to exercise their right to vote at the meeting through ballot paper in case they have not casted their vote by remote e-voting.
- III. The members who have casted their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

Process and manner for remote e-voting are as under:

1. In case a member receives an e-mail from NSDL [for members whose email addresses are registered with the Company/Depository Participants(s)]:
 - i. Open e-mail and open PDF file viz; “TVL e-voting.pdf” with your client ID or Folio No. as password. The said pdf file contains your User ID and password / PIN for remote e-voting. Please note that the password is an initial password.
 - ii. Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - iii. Click on member- Login
 - iv. Insert user ID and password as initial password noted in step 1 above. Click Login
 - v. Password change menu appears. Change the password / PIN with new password of your choice with minimum 8 digit / characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - vi. Home page of e-voting opens. Click on e-voting. Active e-voting cycles.
 - vii. Select “EVEN” of Tilak Ventures Limited.
 - viii. Now you are ready for e-voting and cast vote page opens.
 - ix. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 - x. Upon confirmation, the message “Vote caste successfully” will be displayed.
 - xi. Once you have voted on the resolution, you will not be allowed to modify your vote.
 - xii. Institutional shareholder(s) i.e. other than individuals, HUF, NRI, etc. are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution /authorization letter etc. together with attested specimen signature of the authorized signatory /signatories who are authorized to vote, to the scrutinizer via e-mail tilakfin@gmail.com with a copy marked to evoting@nsdl.co.in.
2. For members whose email IDs are not registered with the company/ Depository participant(s) who receive physical ballot forms, the following instructions may be noted:
 - a. The initial password is provided at the bottom of the Postal Ballot Form.
 - b. Please follow all the steps from i to xii mentioned above, to cast your vote.
- IV. In case of any queries you may refer to the Frequently Asked Questions (FAQs) and e-voting user manual for Members available in the ‘Downloads’ section of www.evoting.nsdl.com or contact NSDL by email at evoting@nsdl.co.in. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the ‘Forgot password’ option available on the site to reset the password.
- V. If you are already registered with NSDL for e-voting, then you can use your existing user ID and password for casting your vote.

- VI. The e-voting period commences on Tuesday 27/09/2016 at 9:00 A.M. and ends on Thursday, 29/09/2016 at 5:00 P.M. During this period, members of the company holding shares either in physical form or in dematerialized form, as on the cutoff / relevant date i.e. Friday, 23/09/2016 may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by a member, he or she will not be allowed to change it subsequently.
- VII. Any person, who becomes a member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date i.e., September 23, 2016, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or tilakfin@gmail.com. However, if such member is already registered with NSDL for remote e-voting then he/she/it can use his/her/its existing user ID and password for casting the vote. The facility to reset the forgotten password is also provided by NSDL by using “Forgot User Details/Password” option available on www.evoting.nsdl.com.
- VIII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date, viz., September 23, 2016 only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- IX. Mr. Pravin Chandak, Chartered Accountant, (Membership No. 049391), Partner of M/s. Pravin Chandak & Associates, Chartered Accountants, Mumbai has been appointed as the Scrutinizer by the Board of Directors of the Company to scrutinize the voting and e-voting process in a fair and transparent manner.
- X. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated Scrutiniser’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by the Chairman in writing, who shall countersign the same and declare the result of the voting forthwith.
- XI. The Results declared along with the report of the Scrutinizer will be placed on the website of the Company www.tilakfinance.com and on the website of NSDL immediately after the declaration of results by the Chairman or by a person duly authorised. The results shall also be immediately forwarded to the BSE Limited, where the equity shares of the Company are listed.

Explanatory Statement Pursuant to Section 102 of the companies Act, 2013

Item No. 4

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors, at its meeting held on September 21, 2015, appointed Ms. Swati Shinde as an Additional Director (Independent) under Section 161(1) of the Act. Accordingly, Ms. Swati Shinde holds office as a director up to the date of the forthcoming Annual General Meeting. It is proposed to appoint her as a Non-executive Independent Director of the Company for five consecutive years with effect from September 21, 2015 in terms of Section 149 of the Act.

The Company has received a notice along with the deposit of requisite amount under Section 160 of the Act from a member proposing Ms. Swati Shinde as a candidate for the office of a director of the Company. Ms. Swati Shinde as confirmed to the Board that she qualifies to be an independent director within the meaning of Regulation 16 and 27 of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 and Section 149(6) of the Act read with Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014. In the opinion of the Board, Ms. Swati Shinde fulfils the conditions specified in the Act and Rules made thereunder for her appointment as an Independent Director of the Company.

The Directors are of the view that Ms. Swati Shinde, possesses requisite skills and experience, which will be beneficial to the Company and this would benefit from her appointment as Director.

Accordingly, the Board commends the passing of the Ordinary Resolution proposed at item no. 4 of the Notice.

Brief profile of Ms. Swati Shinde and the disclosures required under Regulation 36 of the Listing Regulation are given as additional information about the directors, which forms part of the Notice.

None of the Directors/Key Managerial Personnel of the Company/ their relatives, except Ms. Swati Shinde, is in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 4 of the Notice.

Item No. 5

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors, at its meeting held on May 30, 2016, appointed Mr. Hardik Kabariya as an Additional Director (Independent) under Section 161(1) of the Act. Accordingly, Mr. Hardik Kabariya holds office as a director up to the date of the forthcoming Annual General Meeting. It is proposed to appoint him as a Non-executive Independent Director of the Company for five consecutive years with effect from May 30, 2016 in terms of Section 149 of the Act.

The Company has received a notice along with the deposit of requisite amount under Section 160 of the Act from a member proposing Mr. Hardik Kabariya as a candidate for the office of a director of the Company. Mr. Hardik Kabariya as confirmed to the Board that he qualifies to be an independent director within the meaning of Regulation 16 and 27 of SEBI (Listing Obligations & Disclosure Requirement) Regulations, 2015 and Section 149(6) of the Act read with Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014. In the opinion of the Board, Mr. Hardik Kabariya fulfils the conditions specified in the Act and Rules made thereunder for his appointment as an Independent Director of the Company.

The Directors are of the view that Mr. Hardik Kabariya, possesses requisite skills and experience, which will be beneficial to the Company and this would benefit from his appointment as Director.

Accordingly, the Board commends the passing of the Ordinary Resolution proposed at item no. 5 of the Notice.

Brief profile of Mr. Hardik Kabariya and the disclosures required under Regulation 36 of the Listing Regulation are given as additional information about the directors, which forms part of the Notice.

None of the Directors/Key Managerial Personnel of the Company/ their relatives, except Mr. Hardik Kabariya, is in any way, concerned or interested, financially or otherwise, in the resolution set out at item no. 5 of the Notice.

Item No. 6

The Company has got the approval of the shareholders in the 34th Annual General Meeting of the company held on 29th September, 2015 under Section 188(1) of the Companies Act, 2013 and rules made there under for entering into certain transactions with related parties by way of Special resolution; Pursuant to the provisions of Section 188, if and to the extent applicable, and other applicable provisions of the Act, read with Rule 15 of the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force), all related party transactions beyond the thresholds mentioned in Rule 15(3) (a) require prior approval of the Members in general meeting. Further, as per the provisions of Regulation 23(2) (4) of the SEBI (LODR), Regulation 2015, as amended from time to time, all related party transactions require prior approval of the Audit Committee and all material transactions with related parties require approval of the members of a public listed company through a Ordinary resolution and the related parties are required to abstain from voting on such resolution whether the entity is a related party to the particular transaction or not.

“Material Related Party Transaction” under Regulation 23(1) of listing Regulation means any transaction to be entered into individually or taken together with previous transactions during a financial year exceeding 10% of the annual consolidated turnover of a company as per its last audited financial statements. The annual consolidated turnover of the Company for the financial year 2015-16 is Rs. 3.96 crore. Accordingly, any transaction(s) by the Company with a related party (except with its wholly owned subsidiaries) exceeding Rs. 0.40 crores (10% of the Company’s annual consolidated turnover) shall be considered as material transaction and hence, the approval of the Members is required for the same.

Pursuant to Regulation 36 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, Brief Profile of Directors seeking Re-appointment/Appointment at the Thirty-Fifth Annual General Meeting

| Sr. No. | Name of the Directors | Ms. Swati Shinde | Mr. Hardik Kabariya | Mr. Girraj Kishor Agrawal |
|---------|---|--|---|---|
| 1 | Date of Birth | 12/10/1992 | 16/08/1993 | 19/05/1964 |
| 2 | Age | 23 years | 22 years | 52 years |
| 3 | Date of Appointment | 21/09/2015 | 30/05/2016 | 23/12/2009 |
| 4 | Permanent Account Number (PAN) | DTYPS0220Q | CWAPK3102K | AABPA4928N |
| 5 | Director Identification Number (DIN) | 06294919 | 07566240 | 00290959 |
| 6 | No. of equity shares held in the Company | 0 | 0 | 0 |
| 7 | Qualifications | Graduate | Graduate | Chartered Accountant |
| 8 | Brief Profile | Ms. Swati Shinde is a Commerce graduate. She possesses good knowledge, skill, and ability required to lead as the company Human Resources and Excellent interpersonal and coaching skills, Demonstrated ability to lead and develop Human Resources staff members. | Mr. Hardikkumar Bharatbhai Kabariya is a Commerce graduate he possesses good knowledge, skill, and ability required to lead as the company Human Resources and Excellent interpersonal and coaching skills, Demonstrated ability to lead and develop Human Resources staff members. | He is a Chartered Accountant and the navigator who drove the Company from a modest consultancy company to a well renowned and prominent Company. His vast experience is backed by astute and dynamic leadership qualities. He has expertise in Taxation, Corporate Laws and Merchant Banking. He has wide and vast experience in Corporate Finance like ICD's, Bill Discounting, Project financing, Hire-Purchase, finance, and investment banking as he had been instrumental in syndicating such services to the clients. He was also associated in providing Technical and Project Consultancy to some companies for setting up the plant. |
| 9 | Directorship held in other companies | a. Rockon Enterprises Limited b. Axon Ventures Limited c. Banas Finance Limited d. Five X Tradecom Limited | e. Rockon Enterprises Limited f. Axon Ventures Limited g. Banas Finance Limited h. Five X Tradecom Limited i. Proaim Enterprises Limited | a. Axon Ventures Limited b. Banas Finance Limited c. Handful Investrade Private Limited d. Agrawal Bullion Limited e. Kayaguru Capital Market Private Limited f. Rockon Capital Market Private Limited |
| 10 | Membership/Chairmanship of other Public Companies (includes Audit Committee and Stakeholder Relationship Committee) | a. Membership of Audit and Stakeholder Relationship Committee of Axon Ventures Ltd. b. Membership of Audit | Nil | Nil |

| | | | | |
|----|--|--|----|----|
| | | <p>and Stakeholder Relationship Committee of Rockon Enterprises Limited.</p> <p>c. Membership of Audit and Stakeholder Relationship Committee of Banas Finance Ltd.</p> <p>d. Chairmanship of Audit and Stakeholder Relationship Committee of Five X Tradecom Ltd.</p> | | |
| 11 | Relationships, if any between Directors, inter - se. | No | No | No |

Directors' Report

To,
The Members,

Your Directors have pleasure in presenting their Thirty Fifth Annual Report on the business and operations of your Company together with Audited Financial Statements for the year ended 31st March, 2016.

FINANCIAL RESULTS

The summary of the Company's financial performance for the financial year 2015-16 as compared to the previous financial year 2014-15 is given below:

| Particulars | (in lacs) | |
|---|-----------|----------|
| | 2015-16 | 2014-15 |
| Revenue from Operations | 395.23 | 1428.47 |
| Profit/Loss before Dep. & Int. | (36.64) | (398.24) |
| Depreciation | 0.00054 | 0.65 |
| Interest | 0.095 | 0.042 |
| Profit/Loss after Depreciation & Interest | (36.73) | (398.93) |
| Provision for Taxation | - | - |
| Provision for Tax (deferred) | (0.087) | (1.15) |
| Exception Item | - | (2.67) |
| Profit after Tax | (36.82) | (402.75) |
| Net profit/ (Loss) | (36.82) | (402.75) |
| Balance carried to Balance Sheet | (36.82) | (402.75) |

REVIEW OF OPERATIONS

During the year under review, Company achieved revenue from operations of Rs. 395.25 Lacs as against Rs.1428.47 lacs in the previous year. The poor performance of capital market and numb business environment resulted into Net loss for the year of Rs. (36.82) Lacs as compared to net loss of Rs. (402.75) Lacs in the previous year. Profit/Loss before Depreciation & Interest amounted to Rs. (36.811) Lakhs. Though the Company could not able to turned itself into profitable organization, but managed to minimize its losses as compared to previous year.

DIVIDEND

During the year, your Directors have not recommended any dividend on Equity Shares.

DEPOSITS

During the year under review the Company did not invite or accept any Deposits within the meaning of Section 73 of the Companies Act, 2013.

SUBSIDIARY COMPANY

The Company does not have subsidiary company.

BOARD OF DIRECTORS

During the year 2015-2016, there have been changes at the Board level. Ms. Swati Shinde and Mr. Hardik Kabariya was appointed as the Additional Director of the company in Independent Category w.e.f. 21/09/2015 and 30/05/2016 respectively and holds office as Additional Directors until the 35th Annual General Meeting, and is eligible for appointment as a Directors. The Company has received a notice in writing along with deposit pursuant to Section 160 of Companies Act, 2013, proposing the appointment of Ms. Swati Shinde and Mr. Hardik Kabariya as Directors of the Company.

Your Board has recommended the appointment of Ms. Swati Shinde and Mr. Hardik Kabariya as Independent Director not liable to retire by rotation for a period of five consecutive years up to the fifth consecutive Annual General Meeting of the Company.

In Compliance with Section 203 of the Companies Act, 2013 Ms. Hiteshi Shah is being appointed as Chief Financial Officer (CFO) of the company under KMP category w.e.f. 11/02/2016 and Ms. Shruti Shah is being appointed as Company Secretary of the company under KMP category w.e.f. 23/03/2016

SHARE CAPITAL

The paid up equity share capital of the Company as on March 31, 2016 was Rs. 12,84,80,000. During the year under review, the Company has not issued any shares. The Company has not issued shares with differential voting rights. It has neither issued employee stock options nor sweat equity shares. As on March 31, 2016, none of the Directors of the Company holds shares of the Company.

REDEMPTION OF SHARES/ DEBENTURES

The Company has not redeemed any Shares or Debentures.

DECLARATION BY INDEPENDENT DIRECTORS

Ms. Seema Sidhu, Mr. Hardik Kabariya and Ms. Swati Shinde are Independent Directors on the Board of the Company. The Independent Directors hold office for a fixed term of five years and are not liable to retire by rotation.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under the Companies Act, 2013 and SEBI Listing Regulations with the Stock Exchanges.

DISQUALIFICATION OF DIRECTOR

No Director of the Company is disqualified under any law to act as a Director.

MATERIAL CHANGES AFTER BALANCE SHEET DATE (31ST MARCH, 2016)

No material changes and commitments affecting the financial position of the Company have occurred between the end of the Financial Year (FY16) of the Company to which the Financial Statements relate and the date of this Board's Report.

NEW LISTING AGREEMENT

The Company has entered into new Listing Agreement with BSE Limited, in compliance with Regulation 109 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

LISTING

The Company's equity shares continue to be listed at BSE. We confirm that the Listing fee for the financial year 2015-2016 has been paid to them. The stock code of the company at BSE is 503663.

SUSPENSION OF TRADING IN SECURITIES

Bombay Stock Exchange informed company vide Notice No. 20160328-15 Notice Dated 28th March, 2016 about suspension of trading in securities with effect from 31st March, 2016.

Company has made application for revocation of suspension of trading in securities to Bombay Stock Exchange, to get back the trading of securities as before.

BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the performance evaluation of the Independent Directors was completed.

The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Directors expressed their satisfaction with the evaluation process.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, to the best of their knowledge and ability, confirm that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures;
- 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 and loss of the Company for that period;
- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;
- they have prepared annual accounts on a going concern basis;
- they have laid down internal financial controls to be followed by the Company and such internal financial controls are adequate and operating effectively;
- they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

COMPANY'S POLICY ON APPOINTMENT AND REMUNERATION OF DIRECTORS

The Company has been following well laid down policy on appointment and remuneration of Directors and Key Managerial Personnel (KMP).

The appointment of Directors is made by the Board pursuant to the recommendation of Nomination and Remuneration Committee (NRC).

The remuneration of Executive Directors comprises of Basic Salary, Perquisites & Allowances and Commission. The remuneration is within the limits prescribed under the Companies Act, 2013 and is recommended by NRC. Approval of Board, Shareholders and the Central Government, if required, for payment of remuneration to Executive Directors is sought, from time to time.

The remuneration of Non-Executive Directors comprises of sitting fees and commission in accordance with the provisions of Companies Act, 2013.

A brief extract of the Remuneration Policy on appointment and remuneration of Directors, KMP and Senior Management is provided in the Corporate Governance Report.

AUDITORS

a) STATUTORY AUDITORS

The Company's Auditors, Messrs Pravin Chandak & Associates, Chartered Accountants hold office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment as per Section 139 of the Companies Act, 2013.

Messrs Pravin Chandak & Associates have expressed their willingness to get appointed as the Statutory Auditors of the Company and have furnished a certificate of their eligibility and consent under Section 141 of the Companies Act, 2013. In terms of the Listing Regulations, the Auditors have confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India. The Board, based on the recommendation of the Audit Committee, has recommended their appointment as Auditors of the Company till the conclusion of the next Annual General Meeting of the Company.

The members are requested to consider the reappointment of M/s. Pravin Chandak & Associates, Chartered Accountants as Auditors from the conclusion of this Annual General Meeting till the conclusion of the forthcoming Annual General Meeting.

b) SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors had appointed Messrs P. D. Pandya & Associates, Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year 2015-16. The Secretarial Auditor Report is annexed as Annexure 'A' and forms an integral part of this Report.

INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective internal control and risk-mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations. The internal and operational audit is entrusted to Messrs A. M. Gohel & Associates, Chartered Accountants. The main thrust of internal audit is to test and review controls, appraisal of risks and business processes, besides benchmarking controls with best practices in the industry.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same.

The Audit Committee of the Board of Directors, Statutory Auditors and the Business Heads are periodically apprised of the internal audit findings and corrective actions taken. Audit plays a key role in providing assurance to the Board of Directors. Significant audit observations and corrective actions taken by the management are presented to the Audit Committee of the Board. To maintain its objectivity and independence, the Internal Audit function reports to the Chairman of the Audit Committee.

EXPLANATION ON OBSERVATIONS MADE BY THE STATUTORY AUDITORS

The Statutory Auditors of the company have drawn the attention of the management on some Non Compliances which marked as qualification in their report. In connection with the same, management herewith giving the explanations as follows:

With regards to appropriateness of internal control system is concerned, management is having views that the company has effective and sufficient internal control system in place for granting loans and over purchase and sales. The management grants demand loan only either to the parties known to the Company or by references which are governed by the Board policies. The Loan and Advances granted by the Company is considered as good and recoverable and do not required any significant provisions and same has been closely supervised and monitored on regular basis therefore no appraisal, renewal, Policies, procedures, committee or documents have been prescribed and executed. It's difficult to establish any standard or fixed policy and procedure for granting loans, as it depends up on emergency of funds and other requirements of the clients. Further the control over purchase and sales of commodities is concerned company has reasonable internal controls system according to the size of the company and scale of operations. However, as per recommendation of Auditors, the Company is under process to strengthen its controls procedures.

COMMENTS / EXPLANATIONS / QULIFICATION MADE BY SECRETARIAL AUDITORS

The Secretarial Auditors of the company have drawn the attention of the management on some Non Compliances which marked as qualification in their audit report. In connection with the same, management herewith giving the explanations as follows:

It's a matter of fact that the BSE vide its notice no. 20160328-15 dated March 28, 2016 and In continuation of the Exchange notice no. 20160304 – 28 dated March 04, 2016, the company has been suspended from trading in the shares of the Company. However the Company in the interest of its member has already filed its reply to BSE for revocation of suspension of trading in securities.

With respect to appointment of Managing Director (MD) Girraj Kishor Agrawal; MD was appointed in the Annual General Meeting of the year 2012 vide special resolution dated 28/09/2012 and the order imposing penalty was passed dated 04/02/2013 vide its power under Section 15H(ii) of the SEBI Act, which had imposed an individual monetary penalty; the order was passed after his appointment as MD. Mr. Girraj Kishor Agrawal has paid the penalty. From the date of appointment to till date, MD has not drawn any salary for his position in the company. There was no malafide intention for the same. The company in future will apply to Central Government approval for making good the said default.

The Company is not registered under Maharashtra State Tax on Professions, Trades, callings and Employments Tax, Act 1975 (Profession Tax Act). The Company will soon obtain valid Profession Tax number and will comply the same in future.

As far as utilisation of allotment money is concerned, the company has raised fund to fulfill the additional fund requirements for capital expenditure including acquisition of companies / funding long term working capital requirements, marketing, setting up offices abroad and for other approved corporate purposes which includes giving of loans and advances. The main object of the company at the time of raising of funds was finance and investment only and even if the same was not specifically mentioned the company can use the money so raised for its main object.

As pointed out by the secretarial auditors that Company has failed to appoint Chief Financial Officer; The Company is of view that though the Company has tried to appoint the CFO but did not found the desired candidate as per company's requirement. But in the month of Feb 2016, it appointed CFO for the company. And with respect to appointment of Company Secretary it was delay of appointment for just one month and presently the company has Company Secretary.

As pointed out by the secretarial auditors that Company has failed to secure the approval of the members through postal ballot for exceeding limits for making loans and advances, providing guarantee and security and making of investment u/s 186 of the Companies Act, 2013 during the year. We contend the said observation, since the company's main object is financing and according to 186(11), which specifically exempts every company engaged in the business of financing of companies from the ambit of this section. However the Company has already taken the approval of the members at 39th Annual General Meeting for the same.

RISK MANAGEMENT

The Company has in place Risk Management System which takes care of risk identification, assessment and mitigation. There are no risks which in the opinion of the Board threaten the existence of the Company. Risk factors and its mitigation are covered extensively in the Management Discussion and Analysis Report forming part of this Directors' Report.

CORPORATE GOVERNANCE AND MANAGEMENT'S DISCUSSION AND ANALYSIS REPORTS

The Corporate Governance and Management's Discussion and Analysis Reports, which form an integral part of this report, are set out in separate annexures to this report, along with the certificate from the Auditors of the Company certifying compliance of the conditions of the Corporate Governance as stipulated under Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

The particulars of contracts or arrangements with related parties referred to in Section 188(1), as prescribed in Form AOC - 2 are appended as Annexure 'B'.

PARTICULARS OF EMPLOYEES AND RELATED INFORMATION

In terms of the provisions of Section 197(12) of the Act read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement containing the disclosures pertaining to remuneration and other details as required under the Act and the above Rules are provided as under.

The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2015-16, ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2015-16 and the comparison of remuneration of each Key Managerial Personnel (KMP) against the performance of the Company are as under:

| Sr. No | Name of Director/KMP | Remuneration Received (In Rs. Lakh) | % increase in Remuneration in the Financial year 2015-16 | Ratio of remuneration of each Director to median remuneration of employees |
|--------|--|-------------------------------------|--|--|
| 1 | Mr. Girraj Kishor Agrawal (Managing Director) | Nil | Nil | Nil |
| 2 | Ms. Seema Sidhu (Non-Executive Independent Director) | Nil | Nil | Nil |
| 3 | Mr. Jatinkumar Agarrwal# (Non-Executive Independent Director) | Nil | Nil | Nil |

| | | | | |
|---|--|------|-----|------|
| 4 | Mr. Hardik Kabariya* (Non-Executive Independent Director) | Nil | Nil | Nil |
| 5 | Ms. Swati Shinde* (Non-Executive Independent Director) | 0.12 | Nil | 0.06 |
| 6 | Ms. Hiteshi Shah* (Chief Financial Officer) | 0.29 | Nil | 0.14 |
| 7 | Ms. Shruti Shah (Company Secretary) | 0.79 | Nil | 0.39 |

Note:- * Ms. Swati Shinde, Ms. Hiteshi Shah and Mr. Hardik Kabariya were appointed w.e.f 21/09/2015, 11/02/2016 and 30/05/2016 respectively.

Mr. Jatinkumar Agarrwal resigned w.e.f 21/09/2015

- All appointments are / were non-contractual.
- There were 12 employees on the roll of Company as on March 31, 2016.
- The median remuneration of employees of the Company during the financial year was Rs. 2.02 Lakh
- Remuneration as shown above comprises of Salary, Leave Salary, Bonus, Leave Travel Assistance, Medical Benefit, House Rent Allowance, Perquisites and Remuneration on Cash basis

MGT – 9

Extract of Annual Return for financial year ended 31.03.2016 (Pursuant to section 92(3) of the Companies Act, 2013 read with the companies (Management and Administration) Rules, 2014 Form No. MGT-9 is enclosed as Annexure 'C'.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

In view of the nature of activities which are being carried on by the Company, the particulars as prescribed under Section 134(3)(m) of the Act read with Companies' (Accounts) Rules, 2014 regarding Conservation of Energy and Technology Absorption, and research and development are not applicable to the Company.

FOREIGN EXCHANGE

There is no inflow and outflow of Foreign Exchange.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Loans, Guarantees and Investments covered under Section 186 of the Companies Act, 2013 form part of the notes to the financial statements provided in this Annual Report.

NUMBER OF MEETINGS OF THE BOARD

Eight meetings of the board were held during the year. For details of the meetings of the board, please refer to the corporate governance report, which forms part of this report.

The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and the Listing Regulations.

INDEPENDENT DIRECTORS' MEETING

The Independent Directors of the Company met on 29th March, 2016, inter-alia to discuss:

- a) Review the performance of non-Independent Directors and the Board of Directors as a whole;
- b) Review the performance of the Chairperson of the Company, taking into account the views of the Executive and Non-Executive Directors;
- c) Asses 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. In a separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors.

AUDIT COMMITTEE

The Audit Committee is constituted in line with the regulatory requirements mandated by the Companies Act, 2013 and the Listing Regulations. The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report.

NOMINATION AND REMUNERATION COMMITTEE

The Nomination and Remuneration Committee is constituted in line with the regulatory requirements mandated by the Companies Act, 2013 and the Listing Regulations. The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report.

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules thereunder.

During the year under review, the company has not received any complaint of sexual harassment.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There are no significant and material orders passed by the regulators or courts or tribunals that would impact the going concern status of the Company and its future operations.

CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

The Chief Executive Officer and Chief Financial Officer Certification as required under Regulation 17(8) of the Listing Regulations and Managing Director declaration about the Code of Conduct is Annexed to this Report.

APPRECIATION & ACKNOWLEDGEMENTS

Your Directors take this opportunity to place on record their sincere gratitude for assistance and cooperation received from banks, financial institutions, shareholders, business associates and esteemed customers for their continued support and assistance during the year.

Your Directors also place on record their appreciation for the excellent contribution made by all employees of Tilak Ventures Limited through their commitment, competence, co-operation and diligence to duty in achieving consistent growth of the Company.

On behalf of the Board of Directors

Sd/-
Girraj Kishor Agrawal
(Managing Director)
(DIN: 00290959)

Sd/-
Swati Shinde
(Director)
(DIN: 07286912)

Date: 13/08/2016

Place: Mumbai

Annexure – A**FORM NO. : MR-3****SECRETARIAL AUDIT REPORT****FOR FINANCIAL YEAR ENDED ON 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 Member,
TILAK VENTURES LIMITED
(Formerly known as Tilak Finance Limited)
E/109, Crystal Plaza, New Link Road,
Opp. Infinity Mall, Andheri (West),
Mumbai-400053

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by TILAK VENTURES LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's 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 authorised representatives during the conduct of secretarial audit, I hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2016 complied with the Statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2016 according to the provisions of;

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956(SCRA) and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-law framed hereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India , 1992 (' SEBI Act');
 - (a) The Securities and Exchange Board of India(Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto 14th May 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015 (effective 15th May 2015);
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 – Not applicable as the company has not issued any shares during the year under review;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines , 1999 - Not applicable as the Company has not issued any shares/options to directors/employees under the said guidelines / regulations during the year under review;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 - Not applicable as the Company has not issued any debt securities which were listed during the year under review;
 - (f) The Securities and Exchange Board of India (Registration to an Issue and Share Transfers Agents) Regulations, 1993 – Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent during the year under review;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - Not applicable as the Company has not delisted / propose to delist its equity shares from any Stock Exchange during the year under review;
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 - Not applicable Not applicable as the Company has not bought back or propose to buy-back any of its securities during the year under review;
6. Having regards to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof on test-check basis, the following laws are also applicable on company;
 - i. Textiles (Development and Regulation) Order, 2001;
 - ii. Maharashtra state Tax on Professions, Trades, Callings and Employments Act 1975;
 - iii. The Equal Remuneration Act, 1976;

I have also examined compliance with the applicable clause of the following;

- I. The Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

- II. The Listing Agreements entered into by the Company with BSE & NSE and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (effective 1st December, 2015).

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

- I. *Company has been suspended by BSE under Surveillance vide Notice No. 20160304 dated 04th March, 2016 due to surveillance measure as it is found that there is substantial increase and manipulation/ abrupt movement in the price of securities and also company is violation of Securities and Exchange Board of India Act (SEBI Act), Securities and Exchange Board of India (Prohibition of fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations;*
- II. *Mr. GK Agrawal who is an Managing Director of the company cannot hold this position because SEBI in a matter of M/s Axon Infotech Ltd has passed an order dated 04/02/2013 vide its power under Section 15H(ii) of the SEBI Act, has imposed an individual monetary penalty on Mr. G K Agrawal. Hence as per Schedule V of Company Act he cannot be appointed as a Managing Director unless prior approval of Central Government.*
- III. *Company have not paid Professional Tax for employees employed under Maharashtra state Tax on Professions, Trades, Callings and Employments Act 1975;*
- IV. *Company has done preferential allotment in past and major part of money has given in loans and advances to other entities as such deviation of purpose for utilization of money required prior shareholders approval but company failed to take any such approval also no quarterly statement of deviation of fund been filled to BSE.*
- V. *Company during the year has not complied section 203 of the Act for appointment of Whole Time Company Secretary and Whole Time Chief Financial Officer;*
- VI. *In an Last held AGM on 29th September, 2015, company has taken shareholder approval to increase limit under section 186 of the Act for giving loan and investment up to Rs. 50crore but as per section 110 of the Act this limit can only be increased by mean of postal ballot and not in a general meeting.*

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.
- 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 clarification on the agenda items before the meeting and for meaningful participation at the meeting.
- Majority decision is carried through, while the dissenting members' views, if any, are captured and recorded as part of the minutes.

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

Place: Mumbai
Date: 13/18/2016

For P. D. Pandya & Associates
Practicing Company Secretary

Sd/-
(P. D. Pandya)
Proprietor
ACS No. 12123
C P No.: 4869

Note: This report is to be read with our letter of even date which is annexed as "ANNEXURE A" and forms an integral part of this report.

ANNEXURE A''

To,
The Member,
TILAK VENTURES LIMITED
(Formerly known as Tilak Finance Limited)
E/109, Crystal Plaza, New Link Road,
Opp. Infinity Mall, Andheri (West),
Mumbai-400053

My report of even date is to be read along with this letter.

Management's Responsibility

1. It is the Responsibility of Management of the Company to maintain Secretarial records, device proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

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 the test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for our opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.

Disclaimer

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai
Date: 13/18/2016

For P. D. Pandya & Associates
Practicing Company Secretary

Sd/-
(P. D. Pandya)
Proprietor
ACS No. 12123
C P No.: 4869

Annexure – B**Form AOC – 2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Act including certain arm's length transactions under third proviso thereto

1. Details of material contracts or arrangements or transactions not at arm's length basis:

All contracts/arrangements/transactions entered into during the year ended March 31, 2016, were at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis:

| Name(s) of the related party and nature of relationship | Nature of contracts / arrangements / transactions | Duration of the contracts / arrangements / transactions | Salient terms of the contracts or arrangements or transactions including the value, if any | Date(s) of approval by the Board, if any. | Amount paid as advances, if any. |
|---|---|---|--|---|----------------------------------|
| Five X Tradecom Limited | Fabric Sale of 5,616.73 Mtr @ 113.00 | N.A. | Sale Consideration – Rs. 6,34,690 | 04.04.2015 | N.A. |
| Agrawal Bullion Limited | Purchase of 117333 Equity shares @ Rs. 75/- | N.A. | Purchase Consideration – Rs. 87,99,975 | - | N.A. |

On behalf of the Board of Directors

Sd/-
Girraj Kishor Agrawal
(Managing Director)
(DIN: 00290959)

Date: 13/08/2016
Place: Mumbai

Annexure - C**Form No. MGT – 9****EXTRACT OF ANNUAL RETURN****As on financial year ended 31.03.2016**

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

| I | | REGISTRATION & OTHER DETAILS: |
|-----|---|---|
| i | CIN | L65910MH1980PLC023000 |
| ii | Registration Date | 18.08.1980 |
| iii | Name of the Company | Tilak Ventures Limited |
| iv | Category/Sub-category of the Company | Company limited by Shares/Indian Non Government Company |
| v | Address of the Registered office & contact details | E-109, Crystal Plaza, New Link Road, Opp. Infinity Mall, Andheri (West), Andheri (West), Mumbai-400053 Tel: 022-61522222 Fax: 022-61522234 Email: tilakfin@gmail.com |
| vi | Whether listed company | Yes, Bombay Stock Exchange |
| vii | Name , Address & contact details of the Registrar & Transfer Agent, if any. | Sharex Dynamic (India) Pvt. Ltd , Unit 1, Luthra Ind Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai-400072. Tel: 022-28515606 Fax: 022-28512885 Email: investor@sharexindia.com |

| 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 | | | |
| Sl. No. | Name & Description of main products/services | NIC Code of the Product /service | % to total turnover of the company |
| 1 | Share Trading, Finance & Investments | 9971 | 32.22 |
| 2 | Commodity Trading | 9962 | 67.78 |

| III | | PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES | | | |
|--------|-------------------------------|---|----------------------------------|------------------|--------------------|
| Sr. No | Name & Address of the Company | CIN/GLN | Holding / Subsidiary / Associate | % of Shares Held | Applicable Section |
| 1 | Nil | - | - | - | - |

| IV. SHARE HOLDING PATTERN | | | | | | | | | |
|--|--|----------|----------|-------------------|--|----------|----------|-------------------|--------------------------|
| (i) Category-wise Share Holding | | | | | | | | | |
| 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 | Demat | Physical | Total | % of Total Shares | |
| A. PROMOTER'S | | | | | | | | | |
| (1). INDIAN | | | | | | | | | |
| (a). individual | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (b). Central Govt. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (c). State Govt(s). | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (d). Bodies Corpp. | 74195577 | 0 | 74195577 | 57.749 | 74195577 | 0 | 74195577 | 57.749 | 0 |
| (e). FIINS / BANKS. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (f). Any Other | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (A) (1):- | 74195577 | 0 | 74195577 | 57.749 | 74195577 | 0 | 74195577 | 57.749 | 0 |
| (2). FOREIGN | | | | | | | | | |
| (a). Individual NRI / For Ind | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (b). Other Individual | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (c). Bodies Corporates | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (d). Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (e). Qualified Foreign Investor | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (f). Any Other Specify | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (A) (2):- | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total shareholding of Promoter (A) = (A)(1)+(A)(2) | 74195577 | 0 | 74195577 | 57.749 | 74195577 | 0 | 74195577 | 57.749 | 0 |
| (B) PUBLIC SHAREHOLDING | | | | | | | | | |
| 1. Institution | | | | | | | | | |
| (a). Mutual Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (b). Banks / FI | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (c). Central Govt. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |

| | | | | | | | | | |
|---|-----------------|----------|-----------------|---------------|-----------------|----------|-----------------|---------------|--------------|
| (d). State Govt. | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (e). Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (f). Insurance Companies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (g). FIs | 234278 | 0 | 234278 | 0.182 | 0 | 0 | 0 | 0 | 0 |
| (h). Foreign Venture Capital Funds | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (i). Others (specify) | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (B)(1):- | 234278 | 0 | 234278 | 0.182 | 0 | 0 | 0 | 0 | 0 |
| 2. Non-Institutions | | | | | | | | | |
| (a). BODIES CORP. | | | | | | | | | |
| (i). Indian | 13357162 | 0 | 13357162 | 10.396 | 17532476 | 0 | 17532476 | 13.646 | 3.25 |
| (ii). Overseas | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| (b). Individuals | | | | | | | | | |
| (i) Individual shareholders holding nominal share capital upto Rs.1 lakh | 4119667 | 0 | 4119667 | 3.206 | 5756687 | 0 | 5756687 | 4.481 | 1.275 |
| (ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh | 36497911 | 0 | 36497911 | 28.407 | 30978450 | 0 | 30978450 | 24.111 | -4.296 |
| (c). Other (specify) | | | | | | | | | |
| Non Resident Indians | 9733 | 0 | 9733 | 0.008 | 16660 | 0 | 16660 | 0.013 | 0.005 |
| Overseas Corporate Bodies | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Foreign Nationals | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Clearing Members | 65672 | 0 | 65672 | 0.051 | 150 | 0 | 150 | 0 | -0.051 |
| Trusts | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Foreign Boodies - D R | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Sub-total (B)(2):- | 54050145 | 0 | 54050145 | 42.068 | 54284423 | 0 | 54284423 | 42.251 | 0.183 |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 54284423 | 0 | 54284423 | 42.250 | 54284423 | 0 | 54284423 | 42.251 | 0.001 |

| | | | | | | | | | |
|---|------------------|----------|------------------|---------------|------------------|----------|------------------|---------------|----------|
| C. Shares held by Custodian for GDRs & ADRs | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Grand Total (A+B+C) | 128480000 | 0 | 128480000 | 100.00 | 128480000 | 0 | 128480000 | 100.00 | 0 |

| (ii) SHARE HOLDING OF PROMOTERS | | | | | | | | |
|--|----------------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|---|
| Sl. No | Shareholders Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in share holding during the year |
| | | No. of Shares | % of total shares of the company | % of shares pledged encumbered to total shares | No. of Shares | % of total shares of the company | % of shares pledged encumbered to total shares | |
| 1 | Agrawal Bullion Ltd | 2,17,50,439 | 16.93 | 0 | 2,17,50,439 | 16.93 | 0 | 0 |
| 2 | Axon Ventures Ltd | 2,30,00,000 | 17.90 | 0 | 2,30,00,000 | 17.90 | 0 | 0 |
| 3 | Proaim Enterprises Limited | 2,06,00,000 | 16.03 | 0 | 2,06,00,000 | 16.03 | 0 | 0 |
| 4 | Handful Investrade Pvt Ltd | 88,45,138 | 6.88 | 0 | 88,45,138 | 6.88 | 0 | 0 |

| (iii) CHANGE IN PROMOTERS' SHAREHOLDING | | | | | | | | |
|--|--------------------|--|----------------------------------|------|---|--------|---------------|--|
| Sr. No | Shareholder's Name | Shareholding at the beginning of the year 01/04/2015 | | | Share holding at the end of the Year 31/03/2016 | | | |
| | | No. of Shares at the beginning (01-04-2014) / end of the year (31-03-2015) | % of total Shares of the company | Date | Increasing / Decreasing in shareholding | Reason | No. of Shares | |
| 1 | N.A. | | | | | | | |

(iv) SHAREHOLDING PATTERN OF TOP TEN SHAREHOLDERS (OTHER THAN DIRECTORS, PROMOTERS AND HOLDERS OF GDRS AND ADRS):

| Sr. No. | Shareholders Name | Shareholding at the Beginning/ Transactions During the year | | Cumulative Shareholding at the end of the Year | |
|---------|---|---|----------------------------------|--|----------------------------------|
| | | No. of shares | % of total shares of the company | No. of shares | % of total shares of the company |
| 1 | GLOBE CAPITAL MARKET LTD | | | | |
| | Opening Balance | 290 | 0 | - | - |
| | Transactions during the year ended 31/03/2016 | 3196048 | 2.488 | - | - |
| | Closing Balance | - | - | 3196338 | 2.488 |

| | | | | | |
|-----------|--|-----------|---------|---------|-------|
| 2 | HANUMANTA GANGARAM THOMBRE | | | | |
| | Opening Balance | 2659463 | 2.07 | - | - |
| | Transactions | (2659463) | (2.07) | - | - |
| | Closing Balance | - | - | 0 | 0 |
| 3 | DESTIMONEY SECURITIES PRIVATE LIMITED | | | | |
| | Opening Balance | 2438000 | 1.898 | - | - |
| | Transactions | (45001) | (0.035) | - | - |
| | | 1 | 0 | | |
| | Closing Balance | - | - | 2393000 | 1.863 |
| 4 | CHIRAG SHANTILAL SHAH (HUF) | | | | |
| | Opening Balance | 1040000 | 0.809 | - | - |
| | Transactions | - | - | - | - |
| | Closing Balance | - | - | 1040000 | 0.809 |
| 5 | ISAIRIS TRADING PRIVATE LIMITED | | | | |
| | Opening Balance | 2639693 | 2.055 | - | - |
| | Transactions | - | - | - | - |
| | Closing Balance | - | - | 2639693 | 2.055 |
| 6 | RAKESH PADMAKAR NALAWADE | | | | |
| | Opening Balance | 1720200 | 1.339 | - | - |
| | Transactions | 52000 | 0.04 | - | - |
| | Closing Balance | - | - | 1772200 | 1.379 |
| 7 | HIMMAT VINODCHANDRA BHATT | | | | |
| | Opening Balance | 1185634 | 0.923 | - | - |
| | Transactions | 300 | 0 | - | - |
| | Closing Balance | - | - | 1185934 | 0.923 |
| 8 | RAJESH TUKARAM DAMBRE | | | | |
| | Opening Balance | 1077280 | 0.838 | - | - |
| | Transactions | (42381) | (0.035) | - | - |
| | Closing Balance | - | - | 1031449 | 0.803 |
| 9 | WAKIL RAJBHAR | | | | |
| | Opening Balance | 2261600 | 1.76 | - | - |
| | Transactions | - | - | - | - |
| | Closing Balance | - | - | 2261600 | 1.76 |
| 10 | PRASHANT SHASHIKANT SAWANT | | | | |
| | Opening Balance | 1200409 | 0.934 | - | - |
| | Transactions | 3640 | 0.003 | - | - |
| | Closing Balance | - | - | 1204049 | 0.937 |

| | | | | | |
|----|---------------------------|----------|---------|---------|-------|
| 11 | RAJU DEVI SHARWAN AGARWAL | | | | |
| | Opening Balance | 1599805 | 1.245 | - | - |
| | Transactions | - | - | | |
| | Closing Balance | - | - | 1599805 | 1.245 |
| 12 | SANGEETA ASHWIN SHAH | | | | |
| | Opening Balance | 4578859 | 3.564 | - | - |
| | Transactions | 49326 | 0.038 | - | - |
| | | (862179) | (0.671) | | |
| | Closing Balance | - | - | 3766006 | 2.931 |

(V) SHAREHOLDING PATTERN OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

| Sr. No. | Name of Director/KMP and Designation | Shareholding at the beginning of the year | | Cumulative Shareholding during the Year | |
|---------|--------------------------------------|---|----------------------------------|---|----------------------------------|
| | | No. of Shares | % of total shares of the Company | No. of Shares | % of total shares of the Company |
| 1 | Mr. Girraj Kishor Agrawal | 0 | 0 | 0 | 0 |
| 2 | Ms. Seema Sidhu | 0 | 0 | 0 | 0 |
| 3 | Ms. Swati Shinde* | 0 | 0 | 0 | 0 |
| 4 | Ms. Hiteshi Shah* | 0 | 0 | 0 | 0 |
| 5 | Mr. Jatinkumar Agarrwal# | 0 | 0 | 0 | 0 |
| 6 | Ms. Shruti Shah | 0 | 0 | 0 | 0 |
| 7 | Mr. Hardik Kabariya* | 0 | 0 | 0 | 0 |

* Ms. Swati Shinde, Ms. Hiteshi Shah and Mr. Hardik Kabariya were appointed w.e.f. 21.09.2015, 11.02.2016 and 30.05.2016 respectively. # Mr. Jatinkumar Agarrwal resigned w.e.f. 21.09.2015

(VII) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

(Rs. In lakhs)

| Sr. No. | Particulars Of Remuneration | Name of MD/WTD/Manager | Total Amount |
|---------|--|--|--------------|
| | | Mr. Girraj Kishor Agrawal (Managing Director) | |
| 1 | Gross salary | - | - |
| | a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | - | - |
| | b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | - |
| | c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | - | - |
| 2 | Stock Option | - | - |
| 3 | Sweat Equity | - | - |
| 4 | Commission | - | - |
| | - as % of profit | - | - |
| | - others, specify... | - | - |
| 5 | Others, please specify - | - | - |
| | Total (A) | - | - |
| | Ceiling as per the Act | N.A. | N.A |

B. Remuneration to Other Directors

| | | | | | | (Rs. In lakhs) |
|---------|--|--------------------------|-----------------|-------------------|----------------------|----------------|
| Sr. No. | Particulars of Remuneration | Directors | | | | Total Amount |
| | | Mr. Jatinkumar Agarrwal# | Ms. Seema Sidhu | Ms. Swati Shinde* | Mr. Hardik Kabariya* | |
| 1 | Independent Directors | - | - | 12,000 | - | 12,000 |
| | Fee for attending board committee meetings | - | - | - | - | - |
| | Commission | - | - | - | - | - |
| | Others (Fee for attending Independent Directors meeting) | - | - | - | - | - |
| | Total (1) | - | - | 12,000 | - | 12,000 |
| 2 | Other Non-Executive Directors | - | - | - | - | - |
| | Fee for attending board committee meetings | - | - | - | - | - |
| | Commission | - | - | - | - | - |
| | Others, please specify | - | - | - | - | - |
| | Total (2) | - | - | - | - | - |
| | Total (B)=(1+2) | - | - | 12,000 | - | 12,000 |
| | Total Managerial Remuneration | - | - | 12,000 | - | 12,000 |

*Ms. Swati Shinde and Mr. Hardik Kabariya were appointed w.e.f. 21.09.2015 and 30.05.2016 respectively

#Mr. Jatinkumar Agarrwal resigned w.e.f. 21.09.2015

C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD:

| Sr. No. | Particulars Of Remuneration | Company Secretary | Chief Financial Officer | Total Amount |
|---------|--|-------------------|-------------------------|-----------------|
| | | Ms. Shruti Shah | Ms. Hiteshi Shah* | |
| 1 | Gross salary | 77,888 | 29,183 | 1,07,071 |
| | 1. Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | | | |
| | 2. Value of perquisites u/s 17(2) Income-tax Act, 1961 | - | - | - |
| | 3. Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | - | - | - |
| 2 | Stock Option | - | - | - |
| 3 | Sweat Equity | - | - | - |
| 4 | Commission | - | - | - |
| | - as % of profit | - | - | - |
| | - others, specify... | - | - | - |
| 5 | Others, please specify - | - | - | - |
| | Total | 77,888 | 29,183 | 1,07,071 |

*Ms. Hiteshi Shah appointed w.e.f. 11.02.2016

| (VII) INDEBTEDNESS | | | | |
|--|--|--------------------|----------|-----------------------|
| Indebtedness of the Company including interest outstanding/accrued but not due for payment | | | | |
| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | - | - | - | - |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | - | - | - | - |
| Change in Indebtedness during the financial year | | | | |
| Additions | - | - | - | - |
| Reduction | - | - | - | - |
| Net Change | - | - | - | - |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | - | - | - | - |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | - | - | - | - |

(VIII) Penalties/Punishment/Compounding of Offences

| Type | Section of the Companies Act | Brief Description | Details of Penalties/Punish- ment/Compound- ing fees imposed | Authority (RD/NCLT/Court) | Appeal made, if any (give details) |
|---|---------------------------------------|----------------------|---|------------------------------|---------------------------------------|
| A. COMPANY | | | | | |
| Penalty | | | None | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. DIRECTORS | | | | | |
| Penalty | | | None | | |
| Punishment | | | | | |
| Punishment | | | | | |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | | | None | | |
| Punishment | | | | | |
| Compounding | | | | | |

On behalf of the Board of Directors

Place: Mumbai
Date: 13/08/2016

| | |
|---|---|
| Sd/- Swati Shinde (Director) (DIN: 07286912) | Sd/- Girraj Kishor Agrawal (Managing Director) (DIN: 00290959) |
|---|---|

Corporate Governance Report

1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

The objective of your Company is not only to meet the statutory requirements of the code but to go well beyond it by instituting such systems and procedures as are in accordance with the latest global trend of making management completely transparent and institutionally sound.

Your Company has always believed in the concept of good Corporate Governance involving transparency, empowerment, accountability and integrity with a view to enhance stake holder value. The Company has professionals on its Board of Directors who are actively involved in the deliberations of the Board on all important policy matters.

2. BOARD OF DIRECTORS

a) Composition of the Board

The Company has a very balanced and diverse Board of Directors ("Board"), which primarily takes care of the business needs and stakeholders' interest. The Company has a judicious mix of Executive and Non- Executive Directors. As on March 31, 2016, the Board presently consists of 2 (two) Executive Director; which comprises of Managing Director (MD) and Chief Financial Officer (CFO), 3 (three) Non-Executive Independent Directors.

Apart from reimbursement of expenses incurred in the discharge of their duties and the remuneration for Independent Directors as entitled under the Companies Act, 2013, none of these Directors has any other material pecuniary relationships or transactions with the Company, its Promoters, its Directors, its Senior Management, which in their judgment would affect their independence.

All the Independent Directors of the Company furnish declarations annually that they satisfy the conditions of their being independent. All such declarations are placed before the Board. Further, pursuant to Section 164(2) of Companies Act, 2013, all the Directors have provided declarations annually in Form DIR-8 that they have not been disqualified to act as Director. No Director is related to any other Director on the Board in terms of the definition of 'relative' given under the Companies Act, 2013.

None of the Directors held Directorships in more than 10 public limited companies. All Directors are also in compliance of the limit on Independent Directorships of listed companies as prescribed in Regulation 25(1) of the Listing Regulations. Further, none of the Directors on the Board is a Member of more than 10 Committees and / or Chairman of more than 5 Committees (Committees being Audit Committee and Stakeholders Relationship Committee, as per Regulation 26(1) of the Listing Regulations) across all the Companies in which he / she is a Director. The necessary disclosures regarding committee positions have been made by all the Directors.

b) Attendance at Board Meetings and details of Membership of Directors in other Boards & Board Committees

The Board met eight times on the following dates during the financial year 2015-2016 and the gap between two meetings did not exceed 120 days:

| Date of the Meeting | Total Strength | No. of Directors' Present |
|----------------------|----------------|---------------------------|
| 4th April, 2015 | 3 | 3 |
| 29th May, 2015 | 3 | 2 |
| 12th August, 2015 | 3 | 3 |
| 2nd September, 2015 | 2 | 2 |
| 21st September, 2015 | 3 | 3 |
| 7th November, 2015 | 3 | 3 |
| 11th February, 2016 | 3 | 3 |
| 23rd March, 2016 | 3 | 3 |

The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and at the last Annual General Meeting, as also the number of Directorships and Committee positions as held by them in other public limited companies as on 31st March, 2016 are given below:

| Name | Category | No. of Meetings Attended during 2015-16 | Whether attended AGM held on 29th September, 2015 | No. of Directorships in other public limited companies | No. of Committee positions held in other public limited companies | |
|---------------------------|---------------------------|---|---|--|---|--------|
| | | | | | Chairman | Member |
| Mr. Girraj Kishor Agrawal | Managing Director | 8 | Yes | 3 | 0 | 0 |
| Ms. Seema Sidhu | Independent Non-Executive | 8 | No | 5 | 2 | 6 |
| Ms. Swati Shinde* | Independent Non-Executive | 4 | No | 4 | 2 | 6 |
| Mr. Jatinkumar Agarrwal# | Independent Non-Executive | 2 | No | 0 | 0 | 0 |
| Ms. Hiteshi Shah* | Chief Financial Officer | 0 | No | 0 | 0 | 0 |

Note:

* Ms. Swati Shinde and Ms. Hiteshi Shah were appointed on 21/09/2015 and 11/02/2016 respectively.

Mr. Jatinkumar Agarrwal was expired on 17/08/2015.

3. AUDIT COMMITTEE

a) Constitution

The Committee's composition meets with requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of the Listing Regulations. The Members possess adequate knowledge of Accounts, Audit, Finance, etc.

The Broad terms of reference of Audit Committee interalia are:

- To review the financial statements before submission to Board;
- To review reports of the Auditors and Internal Audit department;
- To review the weaknesses in internal controls, if any, reported by Internal and Statutory Auditors, etc.
- Recommending the appointment, remuneration and terms of appointment of Statutory Auditors including Internal Auditors of the Company, etc.

In addition, the powers and role of the Audit Committee are as laid down under Regulation 18 and Schedule II Part C of the Listing Regulations and Section 177 of the Companies Act, 2013.

b) Composition

The Audit Committee of the Company as on 31st March, 2016 comprised the following 3 Directors of the Company:

| | | |
|---|---------------------------|----------|
| 1 | Ms. Swati Shinde | Chairman |
| 2 | Ms. Seema Sidhu | Member |
| 3 | Mr. Girraj Kishor Agrawal | Member |

c) Meetings & Attendances

The Audit Committee met five times on the following dates during the last financial year. The gap between two Meetings did not exceed four months.

| Date of the Meeting | Total Strength | No. of Directors' Present |
|---------------------|----------------|---------------------------|
| 1st April, 2015 | 3 | 3 |
| 28th May, 2015 | 3 | 3 |
| 10th August, 2015 | 3 | 2 |
| 6th November, 2015 | 3 | 2 |
| 8th February, 2016 | 3 | 3 |

The necessary quorum was present at the meetings.

4. STAKEHOLDER RELATIONSHIP COMMITTEE

a) Constitution

The Committee's composition meets with requirements of Section 178 of the Companies Act, 2013 and Regulation 20 of the Listing Regulations.

Terms of reference of the Committee, inter alia, includes the following:

- Review the reports submitted by the Registrars and Share Transfer Agents of the Company at quarterly intervals;
- Periodically interact with the Registrars and Share Transfer Agents to ascertain and look into the quality of the Company's Shareholders/ Investors grievance redressal system and to review the report on the functioning of the Investor grievances redressal system.
- Follow-up on the implementation of suggestions for improvement, if any.
- Periodically report to the Board about serious concerns, if any.

b) Composition

The Stakeholder Relationship Committee of the Company comprises of the following 3 Directors of the Company:

| | | |
|---|---------------------------|----------|
| 1 | Ms. Swati Shinde | Chairman |
| 2 | Ms. Seema Sidhu | Member |
| 3 | Mr. Girraj Kishor Agrawal | Member |

c) Meetings & Attendances

The Stakeholder Relationship Committee met four times on the following dates during the last financial year.

| Date of the Meeting | Total Strength | No. of Directors' Present |
|---------------------|----------------|---------------------------|
| 27th April, 2015 | 3 | 3 |
| 24th July, 2015 | 3 | 2 |
| 26th October, 2015 | 3 | 3 |
| 30th January, 2016 | 3 | 3 |

5. NOMINATION & REMUNERATION COMMITTEE

a) Constitution

The Committee's constitution and terms of reference are in compliance with provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the Listing Regulations.

Terms of reference of the Committee, inter alia, includes the following:

- To carry out evaluation of every Director's performance;
- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal;
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees;
- To formulate the criteria for evaluation of Independent Directors and the Board;
- To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria;
- To carry out any other function as is mandated by the Board of Directors from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable;
- To perform such other functions as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such Committee

b) Composition

The Nomination & Remuneration Committee comprised the following 3 Directors of the Company:

| | | |
|---|---------------------------|----------|
| 1 | Ms. Swati Shinde | Chairman |
| 2 | Ms. Seema Sidhu | Member |
| 3 | Mr. Girraj Kishor Agrawal | Member |

c) Meetings & Attendances

The Nomination & Remuneration Committee met two times on the following dates during the last financial year.

| Date of the Meeting | Total Strength | No. of Directors' Present |
|---------------------------------|----------------|---------------------------|
| 8 th September, 2015 | 2 | 2 |
| 8 th February, 2016 | 3 | 3 |

6. INDEPENDENT DIRECTORS MEETING

The Independent Directors met on the following date during the last financial year.

| Date of the Meeting | Total Strength | No. of Directors' Present |
|------------------------------|----------------|---------------------------|
| 29 th March, 2016 | 2 | 2 |

7. CODE OF CONDUCT

The Company has adhered to a Code of Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders and Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information Pursuant to Regulation 8(1) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 is available on the Company's website.

8. POLICY FOR SELECTION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION

The Nomination and Remuneration Committee (NRC) has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and Key Managerial Personnel and their remuneration.

(A) Criteria of selection of Non-Executive Directors

- a) In case of appointment of Independent Directors, the NRC shall satisfy itself with regard to the independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.
- b) The NRC shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.
- c) The NRC shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director:
 - Qualification, expertise and experience of the Directors in their respective fields; .
 - Personal, Professional or business standing;
 - Diversity of the Board.

(B) Remuneration of Independent Directors

The Independent Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings and commission as detailed hereunder:

- a) Independent Directors shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits

prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- b) Independent Directors shall also be entitled to receive commission on an annual basis, of such sum as may be approved by the Board on the recommendation of the NRC.
- c) The Independent Directors of the Company shall not be entitled to participate in the Stock Option Scheme of the Company, if any, introduced by the Company.

(C) Remuneration of Managing Director / Executive Directors / Senior Management Personnel

The remuneration of Managing Director / Executive Directors shall be determined after taking into account the Company's overall performance, their individual contribution for the same and trends in the industry in general. The remuneration shall be subject to the approval of the Members of the Company in General Meeting.

The Remuneration for Senior Management employees shall be such as to ensure that the relationship of remuneration to performance is clear and meets appropriate operational performance benchmarks.

9. GENERAL BODY MEETING

Location, date and time of Annual General Meetings held during the last 3 years:

| Year | Location | Date | Day | Time |
|---------------|--|----------------------|---------|-----------|
| 32nd AGM 2013 | E/109, Crystal Plaza, New Link Road, Andheri (West), Mumbai - 400053 | 30th September, 2013 | Monday | 4.30 P.M. |
| 33rd AGM 2014 | E/109, Crystal Plaza, New Link Road, Andheri (West), Mumbai - 400053 | 29th September, 2014 | Monday | 4.30 P.M. |
| 34th AGM 2015 | E/109, Crystal Plaza, New Link Road, Andheri (West), Mumbai - 400053 | 29th September, 2015 | Tuesday | 1.30 P.M. |

10. MEANS OF COMMUNICATION

The quarterly results, half yearly and annual financial results are published in leading English and Marathi Newspapers i.e. The Financial Express and Aapla Mahanagar.

The financial results & shareholding pattern are displayed on www.bseindia.com

11. GENERAL SHAREHOLDER INFORMATION

| | |
|---|--|
| Annual General meeting Date, Time & Venue | 30th September, 2016 at 2.00 P.M. at Regd. Office, at E/109, Crystal Plaza, New Link Road, Andheri (West), Mumbai - 400053 |
|---|--|

| | |
|---|-------------------------------|
| Financial Calendar | 2015-16 |
| Annual General Meeting | 30th September, 2016 |
| Unaudited results for the quarter ending Jun' 30, 16 | Second week of August 2016 |
| Unaudited results for the quarter/half year ending Sept' 30, 16 | Second week of November 2016. |
| Unaudited results for the quarter ending Dec' 31, 16 | Second week of February 2017. |
| Audited results for the quarter ending Mar' 31, 17 | Fourth week of May 2017. |
| Date of book Closure | 21/09/2016 to 23/09/2016 |

| | |
|---------------------------|---|
| Listing on Stock exchange | Bombay Stock Exchange Ltd. Phiroze Jeejeebhoy Towers Dalal Street, Mumbai – 400 001, Maharashtra. |
|---------------------------|---|

| | |
|------------|-------------------------------------|
| Stock Code | Bombay Stock Exchange Ltd. - 503663 |
|------------|-------------------------------------|

Market Price Data:

| Month & Year | High | Low | Close | No. of Shares |
|------------------|-------|-------|-------|---------------|
| April - 2015 | 57.00 | 42.00 | 45.00 | 3,53,398 |
| May - 2015 | 47.30 | 20.80 | 20.80 | 4,40,319 |
| June - 2015 | 19.80 | 12.79 | 12.79 | 14,748 |
| July - 2015 | 12.54 | 8.29 | 8.29 | 9,520 |
| August - 2015 | 10.04 | 7.82 | 9.11 | 17,23,423 |
| September - 2015 | 11.48 | 6.35 | 6.82 | 9,51,192 |
| October - 2015 | 7.50 | 5.73 | 6.58 | 3,83,356 |
| November - 2015 | 6.58 | 4.61 | 4.84 | 1,27,659 |
| December - 2015 | 7.23 | 4.84 | 5.05 | 19,16,567 |
| January - 2015 | 5.46 | 3.54 | 4.10 | 12,20,314 |
| February - 2016 | 4.15 | 2.47 | 2.54 | 2,47,242 |
| March - 2016 | 2.87 | 1.69 | 1.69 | 11,29,220 |

Share Registrars and Transfer Agents – Sharex Dynamic (India) Pvt. Ltd.

| | |
|--|--|
| Add.: Unit No.1, Luthra Indl. Premises, Safed Pool, Andheri-Kurla Road, Mumbai – 400 072. Maharashtra. | Tel : 2851 5606 / 2851 5644 / 2851 6338 Fax : 2851 2885 E-mail : sharexindia@vsnl.com Website : www.sharexindia.com |
|--|--|

Distribution of Shareholding as on 31st March 2016.

| No. of Shares | No. of Share Holders | % of Holders | Total Shares | % of Shares |
|-----------------|----------------------|---------------|---------------------|---------------|
| Upto to 5000 | 1756 | 84.91 | 1202394.00 | 0.94 |
| 5001 to 10000 | 76 | 3.68 | 562536.00 | 0.44 |
| 10001 to 20000 | 54 | 2.61 | 800158.00 | 0.62 |
| 20001 to 30000 | 18 | 0.87 | 457907.00 | 0.36 |
| 30001 to 40000 | 17 | 0.82 | 604352.00 | 0.47 |
| 40001 to 50000 | 18 | 0.87 | 825981.00 | 0.64 |
| 50001 to 100000 | 44 | 2.13 | 3446334.00 | 2.68 |
| 100001 to Above | 85 | 4.11 | 120580338.00 | 93.85 |
| Total | 2068 | 100.00 | 128480000.00 | 100.00 |

Category of shareholders as on 31st March 2016.

| Category | No. of Shares held | % of Shareholding |
|---|--------------------|-------------------|
| A Promoter's Holding | | |
| 1 Promoters | | |
| - Indian Promoters | 7,41,95,577 | 57.75 |
| - Foreign Promoters | - | - |
| 2 Persons acting in concert | - | - |
| Sub – Total | 7,41,95,577 | 57.75 |
| B Non-Promoter's Holding | | |
| 3 Institutional Investors | - | - |
| a) Mutual Funds and UTI | - | - |
| b) Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions / Non Government Institutions) | - | - |
| c) FIIs | | |
| 4 Others | | |
| a) Bodies Corporate | 1,75,32,476 | 13.64 |

| | | | |
|----|---------------------------------|---------------------|--------------|
| b) | Indian Public | 3,67,35,137 | 28.59 |
| c) | NRI's/OCB's - NRI | 16,660 | 0.01 |
| d) | Any Other (Please specify) – CM | 150 | 0.00 |
| | Sub-Total | 5,42,84,423 | 42.25 |
| | Grand Total | 12,84,80,000 | 100 |

Dematerialization of Shares

The equity shares of the company are available for trading in the dematerialized form under both the Depositories, i.e., National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL).

No. of shares held in physical mode and dematerialized form as on 31st March, 2016.

| Particulars | No. of Shares | % |
|-------------------------------------|---------------------|------------|
| Held in Dematerialised mode in NSDL | 4,13,34,863 | 32.17 |
| Held in Dematerialised mode in CDSL | 8,71,45,137 | 67.83 |
| Shares held in Physical Mode | 0 | 0 |
| Total | 12,84,80,000 | 100 |

Quarterly Audit of Share Capital

As required by the Securities and Exchange Board of India (SEBI), quarterly audit of the Company's share capital is being carried out by a Practicing Company Secretary with a view to reconcile the total share capital admitted with NSDL and CDSL and held in physical form, with the total issued and listed capital of the Company. The certificate received from the Practicing Company Secretary is submitted to BSE and is also placed before the Board of Directors on a quarterly basis.

OTHER DISCLOSURE

Details of Non Compliance

Details of Non Compliance by the Company, penalties, and structures imposed on the Company by Stock Exchanges or the Board or any statutory authority, on any matter related to capital markets, during the last three years – None.

Details of Subsidiary and Associate Companies

The Company does not have any Subsidiary and Associate Companies as on 31st March, 2016.

Policy determining Material Subsidiaries and Related Party Transactions

The Company has adopted the policy on determining material subsidiaries is hosted on its website at https://tilakfinance.files.wordpress.com/2016/04/policy-on-material-subsidiaries_tilak.pdf And Policy on dealing with related party transactions is hosted on its website at https://tilakfinance.files.wordpress.com/2015/07/rpt_tilak.pdf

Disclosure on Material Related Party Transactions

All material transactions entered into with related parties as defined under the Act and Regulation 23(1) of the SEBI (LODR) Regulations 2015 during the financial year 2015-16 were in the ordinary course of business. No materially significant related party transactions have been entered into during financial year 2015-16 having potential conflict with the interest of the Company at large. A list of related parties as per the Accounting Standard 18 and the transactions entered into with them in prescribed Form AOC-2 is given separately in this Annual Report under Annexure B of the Board Report as well as in the Notes to Accounts annexed to the Balance Sheet as at 31st March 2016 and Statement of Profit & Loss of the Company for the Financial Year ended on that date.

Policy for Prohibition of Insider Trading

The Company has adopted a code of conduct for prevention of insider trading with a view to regulate trading in securities by the Directors and employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of the Company's shares by the Directors and employees while in possession of unpublished price sensitive information in relation to the Company or its securities.

The Company has appointed the Compliance Officer to ensure compliance of the said Code by all the Directors, Senior Management Personnel and employees likely to have access to unpublished price sensitive information. The policy is available at website of the company at the following link <https://tilakfinance.files.wordpress.com/2016/07/policy-of-insider-trading.pdf>

Vigil Mechanism/Whistle Blower Policy

The Vigil Mechanism/Whistle Blower Policy has been adopted to provide appropriate avenues to the employees to bring to the attention of the management, the concerns about any unethical behaviour, by using the mechanism provided in the Policy. In cases related to financial irregularities, including fraud or suspected fraud, the employees may directly approach the Chairman of the Audit Committee of the Company. We affirm that no director or employee has been denied access to the Audit Committee during financial year 2015-16. The Policy provides that no adverse action shall be taken or recommended against an employee in retaliation to his/her disclosure in good faith of any unethical and improper practices or alleged wrongful conduct. This Policy protects such employees from unfair or prejudicial treatment by anyone in the Group. The policy is available at company's website https://tilakfinance.files.wordpress.com/2015/06/whistle_blower_policy_tilak.pdf

Disclosures of compliance with Corporate Governance requirements specified in Regulation 17 to 27 and Regulation 46(2)(b) to (i) of the Listing Regulations:

| Sr. No. | Particulars | Regulation | Compliance status Yes/No/N.A. | Compliance observed for the following: |
|---------|---|------------|-------------------------------|---|
| 1. | Board of Directors | 17 | Yes | <ul style="list-style-type: none"> Board Composition Meeting of Board of Directors Review of compliance reports Plans for orderly succession for appointments Code of Conduct Fees / compensation Minimum information to be placed before the Board Compliance Certificate Risk Assessment & Management Performance Evaluation of Independent Directors |
| 2. | Audit Committee | 18 | Yes | <ul style="list-style-type: none"> Composition Meeting of Audit Committee Role of Audit Committee and review of information by the Committee |
| 3. | Nomination and Remuneration Committee | 19 | Yes | <ul style="list-style-type: none"> Composition Role of the Committee |
| 4. | Stakeholders Relationship Committee | 20 | Yes | <ul style="list-style-type: none"> Composition Role of the Committee |
| 5. | Risk Management Committee | 21 | Not Applicable | <ul style="list-style-type: none"> The Company is not in the list of top 100 listed entities by market capitalisation |
| 6. | Vigil Mechanism | 22 | Yes | <ul style="list-style-type: none"> Formulation of Vigil Mechanism for Directors and employees Direct access to Chairperson of Audit Committee |
| 7. | Related Party Transactions | 23 | Yes | <ul style="list-style-type: none"> Policy on Materiality of Related Party Transactions and on Dealing with Related Party Transactions Related Party Transactions of the Company are pursuant to contracts duly approved by the Audit Committee, Board of Directors and Shareholders of the Company Review of transactions pursuant to aforesaid contracts |
| 8. | Corporate Governance requirements with respect to | 24 | Not Applicable | <ul style="list-style-type: none"> The Company does not have any subsidiary |

| | | | | |
|-----|---|-----------------|-----|---|
| | subsidiary of listed entity | | | |
| 9. | Obligations with respect to Independent Directors | 25 | Yes | <ul style="list-style-type: none"> • Maximum Directorship and Tenure • Meeting of Independent Directors • Familiarisation of Independent Directors |
| 10. | Obligations with respect to Directors and Senior Management | 26 | Yes | <ul style="list-style-type: none"> • Memberships / Chairmanships in Committees • Affirmation with compliance to Code of Business Conduct and Ethics from Directors and Management Personnel • Disclosure of shareholding by Non-executive Directors • Disclosures by Senior Management about potential conflicts of interest |
| 11. | Other Corporate Governance requirements | 27 | Yes | <ul style="list-style-type: none"> • Compliance with discretionary requirements • Filing of quarterly compliance report on Corporate Governance |
| 12. | Website | 46(2)(b) to (i) | Yes | <ul style="list-style-type: none"> • Terms and conditions of appointment of Independent Directors • Composition of various Committees of Board of Directors • Code of Business Conduct and Ethics for Directors and Management Personnel • Details of establishment of Vigil Mechanism/ Whistle Blower Policy • Policy on dealing with Related Party Transactions • Details of familiarization programmes imparted to Independent Directors |

Address of Registered office

E/109, Crystal Plaza, Opp. Infinity Mall,
 New Link Road, Andheri (West),
 Mumbai- 400053
 Email: tialkfin@gmail.com
 Tel: 022-61522222

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORTS

Your Directors are pleased to present the Management Discussion and Analysis Report for the year ended 31st March, 2016.

The Management Discussion and Analysis have been included in consonance with the Code of Corporate Governance as approved by The Securities and Exchange Board of India (SEBI). Investors are cautioned that these discussions contain certain forward looking statements that involve risk and uncertainties including those risks which are inherent in the Company's growth and strategy. The company undertakes no obligation to publicly update or revise any of the opinions or forward looking statements expressed in this report consequent to new information or developments, events or otherwise.

The management of the company is presenting herein the overview, opportunities and threats, initiatives by the Company and overall strategy of the company and its outlook for the future. This outlook is based on management's own assessment and it may vary due to future economic and other future developments in the country.

➤ INDUSTRY STRUCTURE & DEVELOPMENT

The Indian Textile and Apparel industry has been a significant contributor to the Indian economy and continues to play a pivotal role in India's growth story through its contribution to industrial output, employment generation and export earnings. India is one of the few countries with a complete and integrated textile value chain having production at each level of textile manufacturing.

➤ OVERVIEW

The Company operates in two reportable segments i.e. Dealers in commodity and Finance and Investment Activities. The business Segments has been identified as separate segment in accordance with Accounting standard 17 'Segment Reporting'. The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013, guidelines issued by the Securities and Exchange Board of India (SEBI) and Generally Accepted Accounting Principles (GAAP) in India.

➤ OPPORTUNITIES AND THREAT

Some of the key trends of the industry that are favourable to the company to exploit these emerging opportunities are:

Clients are more comfortable with uniform high quality and quick service and process across the enterprise. There are good prospects for expanding further activities in this direction.

Some of the key changes in the industry unfavourable to the company are:

- Heightened competition
- Increasing Compliances
- Attraction and retention of human capital.
- Regulatory changes

➤ RISKS AND CONCERNS

Risk is an inherent part of any business. There are various types of risks that threaten the existence of a company like Credit Risk, Market Risk, Operational Risk, Liquidity Risk, Interest Rate Risk, Strategic Risk, Regulation Risk etc. Your Company aims at enhancing and maximizing shareholders value by achieving appropriate trade-off between risk & returns. There is the risk of loss from inadequate or failed systems, processes or procedures. These may be attributed to human failure or technical problems given the increase use of technology and staff turnover. Your company has in place suitable mechanisms to effectively reduce such risks. All these risks are continuously analyzed and reviewed at various levels of management through an effective information system.

➤ INTERNAL CONTROL SYSTEM

The Company has an adequate internal control system commensurate with the size of the company and the nature of its business which ensures that functioning of the Company is managed efficiently and effectively, assets are safeguarded, regulatory compliances are complied with and transactions are recorded after appropriate authorization.

➤ HUMAN RELATIONS

Human resources have always been most valuable assets for Tilak Ventures Ltd. During the year the company has once again gained the confidence of its Human Resource as well and company constantly seeks to attract and retain the best available talent. The Company continued to enjoy healthy industrial relations during the year.

➤ FORWARD LOOKING AND CAUTIONARY STATEMENTS

Management Discussion and Analysis contains forward-looking statements concerning the Company's future plans, strategies, and performance. These forward-looking statements are not historical facts; rather, they represent assumptions and beliefs based on economic, financial, and competitive data currently available. Furthermore, they are subject to a number of risks and uncertainties that, without limitation, relate to economic conditions, fierce competition in the information service industry, customer demand, tax rules, regulations, and other factors. Readers of this annual report are cautioned not to place undue reliance on these forward-looking statements. The Company therefore wishes to caution readers that actual results may differ materially.

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members,
M/s. Tilak Ventures Limited

We have examined the compliance of conditions of corporate governance by Tilak Ventures Limited ('the Company') for the year ended 31 March, 2016, as stipulated in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with Stock Exchanges in India.

The compliance of conditions of Corporate Governance is the responsibility of the Company's Management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance, as stipulated in the SEBI Listing Regulations, 2015.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For and on behalf of
Pravin Chandak & Associates
Chartered Accountants
Firm's Reg. No.: 116627W

Sd/-
Pravin Chandak
Partner
Membership number: 049391

Mumbai
Date: 30/05/2016

CERTIFICATE FOR ADHERENCE TO THE CODE OF CONDUCT [PURSUANT TO REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015]

DECLARATION

I, Girraj Kishor Agrawal, Managing Director of Tilak Ventures Limited, hereby declare that all the members of the Board of Directors and the Senior Management Personnel have affirmed compliance with the code of conduct for the year ended 31st March, 2016.

For Tilak Ventures Limited

Sd/-
Girraj Kishor Agrawal
(Managing Director)
(DIN: 00290959)

Date: 13/08/2016
Place: Mumbai

CEO / CFO CERTIFICATE

We have reviewed financial statements and the cash flow statement for the year ended 31/03/2016 and that to the best of our knowledge and belief;

These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.

These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

There are, to the best of our knowledge and belief, no transaction entered into by the company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.

We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.

We have indicated to the auditors and the Audit Committee:

Significant changes in internal control over financial reporting during the year.

Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and

Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Tilak Ventures Limited

Sd/-
Hiteshi Shah
(Chief Financial Officer)

Date: 13/08/2016
Place: Mumbai

COMPLIANCE CERTIFICATE OF THE AUDITORS:

The Statutory Auditors have certified that the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulation and the same is annexed to this Report.

DECLARATIONS

Compliance with the Code of Business Conduct and Ethics

As provided under Regulation 26 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board Members and Senior Management Personnel have affirmed compliance with Tilak Ventures Limited Code of Business Conduct and Ethics for the year ended March 31, 2016.

For Tilak Ventures Limited

Sd/-
Girraj Kishor Agrawal
(Managing Director)
(DIN: 00290959)
Dated: 13/08/2016

Independent Auditor's Report

To the Members of
Tilak Ventures Limited
(Formerly known as Tilak Finance Limited)

Report on the Financial Statements

We have audited the accompanying financial statements of Tilak Ventures Limited (Formerly known as Tilak Finance Limited) ("the Company"), which comprise the balance sheet as at 31 March 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 from material misstatement, whether due to fraud or error.

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 thereunder.

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 misstatement.

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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 of the financial statements.

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, of the state of affairs of the Company as at 31 March 2016 and its profit and its 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 sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
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 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
 - (f) With respect to adequacy of internal financial control 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 Auditor's 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 has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note no. 21 to the financial statements;
 - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. The company is not liable to transfer any amounts to the Investor Education and Protection Fund. Therefore, there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For Pravin Chandak & Associates
Chartered Accountants
Firm's registration number: 116627W

Sd/-
Pravin Chandak
Partner
Membership number: 049391
Mumbai
30th May, 2016

Annexure A to the Independent Auditors' Report-31st March, 2016

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended 31 March 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 fixed assets. No material discrepancies were noticed during physical verification.
 - (c) The company does not have any immovable property hence the clause is not applicable.
- (ii) As informed to us, the equity shares held as inventories in dematerialized form have been verified by the management with supportive evidence during the year. And for other unquoted equity shares held as inventories the procedures performed by the management for physical verification were found to be satisfactory. No material discrepancy was found.
- (iii) (a) The Company has not granted loans to party covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (b) In the case of the loans granted to any parties in the register maintained under section 189 of the Act, the borrowers have been regular in the payment of the interest as stipulated. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 3(ii)(b) of the order is not applicable to the Company in respect of repayment of the principal amount.
- (c) There are no overdue amounts for period of more than ninety days in respect of the loans granted to the bodies corporate listed in the register maintained under section 189 of the Act.
- (iv) The company has complied with the provisions of section 185 and 186 of the Companies Act, 2013.
- (v) During the year, Company has not accepted any deposits from the public hence the clause is not applicable.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by 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, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.
- (viii) The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.
- (ix) The Company has not raised any money by way of initial public offer or further public offer during the year. The company has not taken any term loans during the year.

- (x) According to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.
- (xi) The company has paid managerial remuneration in accordance with provisions of the section 197 read with Schedule V of the Companies Act.
- (xii) The company is not a Nidhi Company hence the clause is not applicable.
- (xiii) All the transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the necessary details have been disclosed in the Financial Statements etc as required by the applicable accounting standards.
- (xiv) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year,
- (xv) The company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 based on its asset and income pattern. The financial assets of the company constitute more than 50% of the total assets of the company. The company is also engaged in trading activity the income from which is approximately more than 50% of the gross income of the company. Hence, the company does not fulfill one of the NBFC criterion prescribed in terms of section 45-IA of the RBI Act, 1934 in the current financial year and therefore NBFC provisions are not applicable in the current financial year.

For Pravin Chandak & Associates
Chartered Accountants
Firm's registration number: 116627W

Sd/-
Pravin Chandak
Partner
Membership number: 049391
Mumbai
30th May 2016

Annexure B to the Independent Auditors' Report-31st March, 2016**Report on the Internal Financial Controls under Clause (i) of sub-section 3 of the Section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls over financial reporting **Tilak Ventures Limited (Formerly Known as Tilak Finance Limited)** ('the company) as of 31st March, 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 Accountant 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.

Auditor's 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 auditor's 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 authorization 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.

Qualified Opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2016.

- a) The Company did not have an appropriate internal control system for granting Loans. Demand and other loans given are governed by the Board policies. Considering the close monitoring of Board no appraisal, renewal, Policies, Procedure, Committee or documents have been prescribed and executed.
- b) The Company's internal control system is not commensurate to the size and scale of operation over purchase and sale of trading division.

A 'material weaknesses' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the effects / possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of 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 Chartered Accountants of India.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2016 financial statements of the Company, and the material weakness does not affect our opinion on the financial statements of the Company.

For Pravin Chandak & Associates
Chartered Accountants
Firm's registration number: 116627W

Sd/-
Pravin Chandak
Partner
Membership number: 049391
Mumbai
30th May 2016

TILAK VENTURES LIMITED**(FORMERLY KNOWN AS TILAK FINANCE LTD)****BALANCE SHEET AS ON 31ST MARCH, 2016****(Amount in Indian Rupees)**

| PARTICULARS | NOTES | 31ST MARCH, 2016 | 31ST MARCH, 2015 |
|--|---------------|---------------------|---------------------|
| <u>EQUITY & LIABILITIES</u> | | | |
| <u>SHAREHOLDERS' FUNDS</u> | | | |
| Share Capital | 2 | 128,480,000 | 128,480,000 |
| Reserves and Surplus | 3 | 142,724,278 | 146,406,086 |
| <u>CURRENT LIABILITIES</u> | | | |
| Trade Payables | 4 | - | 17,893,294 |
| Other Current Liabilities | 5 | 126,889 | 54,782 |
| Short Term Provisions | 6 | 4,075 | 5,000 |
| TOTAL | | 271,335,243 | 292,839,162 |
| <u>ASSETS</u> | | | |
| <u>NON CURRENT ASSETS</u> | | | |
| Fixed Assets | | | |
| Tangible Assets | 7 | 24,456 | 4,676 |
| Intangible Assets | | - | - |
| Non Current Investments | 8 | - | 43,946,740 |
| Deferred Tax Asset (Net) | | 2,716,835 | 2,725,534 |
| <u>CURRENT ASSETS</u> | | | |
| Inventories | 9 | 88,114,179 | 35,031,780 |
| Trade Receivables | 10 | 1,294,656 | 31,213,835 |
| Cash and Cash Equivalents | 11 | 5,289,367 | 11,484,174 |
| Short Term Loans and Advances | 12 | 173,895,750 | 168,432,423 |
| TOTAL | | 271,335,243 | 292,839,162 |
| Notes Forming Part Of Financial Statement | 1 - 37 | | |

As per our Report of Even Date

For Pravin Chandak & Associates

Chartered Accountants

(Firm Registration No.116627W)

Sd/-

Pravin Chandak

Partner

Membership No. 049391

Place : Mumbai

Date : 30th May 2016

For and on behalf of the Board of Directors

of TILAK VENTURES LIMITED

(Formerly Known as Tilak Finance Ltd.)

Sd/-

Girraj Agrawal

Managing Director

Din No.00290959

Sd/-

Shruti Shah

Company Secretary

Sd/-

Seema Sidhu

Director

Din No.06924919

Sd/-

Hiteshi R Shah

CFO

TILAK VENTURES LIMITED

(FORMERLY KNOWN AS TILAK FINANCE LTD)

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

(Amount in Indian Rupees)

| | NOTES | 31ST MARCH, 2016 | 31ST MARCH, 2015 |
|--|-----------------------|--|---------------------|
| INCOME | | | |
| Revenue from Operations | 13 | 39,525,040 | 142,846,855 |
| Other Income | 14 | 100,576 | - |
| Total Income (I) | | 39,625,616 | 142,846,855 |
| EXPENSES | | | |
| Purchase of Traded goods | 15 | 93,981,693 | 92,885,981 |
| (Increase)/decrease in inventories of Traded goods | | (53,082,399) | 39,307,759 |
| Employee Benefits Expense | 16 | 1,380,384 | 1,510,182 |
| Finance Costs | 17 | 9,515 | 4,206 |
| Depreciation & Impairment | 7 | 54 | 64,539 |
| Other Expenses | 18 | 1,009,477 | 48,966,778 |
| Total Expenses (II) | | 43,298,724 | 182,739,445 |
| Profit for the year before exceptional & extraordinary items and tax | (I - II) | (3,673,109) | (39,892,590) |
| Exceptional and Extraordinary items | 19 | - | (266,842) |
| Profit for the year before Tax | | (3,673,109) | (40,159,432) |
| Tax Expenses | | | |
| Current Tax | | - | - |
| Taxes of Earlier Years | | - | - |
| Deferred Tax | | (8,699) | (115,383) |
| Profit/(Loss) for the period | | (3,681,808) | (40,274,815) |
| Earning per equity share | | | |
| Basic | | (0.029) | (0.313) |
| Diluted | | (0.029) | (0.313) |
| Notes Forming Part Of Financial Statement | 1 - 37 | | |
| As per our Report of Even Date | | For and on behalf of the Board of Directors | |
| For Pravin Chandak & Associates | | of TILAK VENTURES LIMITED | |
| Chartered Accountants | | (Formerly Known as Tilak Finance Ltd.) | |
| (Firm Registration No.116627W) | | | |
| Sd/- | Sd/- | Sd/- | |
| Pravin Chandak | Girraj Agrawal | Seema Sidhu | |
| Partner | Managing Director | Director | |
| Membership No. 049391 | Din No.00290959 | Din No.06924919 | |
| Place : Mumbai | | | |
| Date : 30th May 2016 | | | |
| | Sd/- | Sd/- | |
| | Shruti Shah | Hiteshi R Shah | |
| | Company Secretary | CFO | |

TILAK VENTURES LIMITED

(FORMERLY KNOWN AS TILAK FINANCE LIMITED)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(Amount in Indian Rupees)

| Particulars | Year Ended 31st March, 2016 | | Year Ended 31st March, 2015 | |
|--|-----------------------------|--------------|-----------------------------|--------------|
| Cash Flow from Operating Activities | | | | |
| Profit Before Tax and Extraordinary items (As per Profit and Loss Account) | | (3,673,109) | | (40,159,432) |
| Adjustments for: | | | | |
| Depreciation | 54 | | 64,539 | |
| Fixed Assets Written off | - | | 266,842 | |
| Loss on Sale of Investment | 76,117 | | 34,779,443 | |
| Sundry creditors Written off | 433 | | | |
| Provision for diminution in value of investment | - | 76,604 | 4,326,386 | 39,437,210 |
| Operating Profit before Working Capital Changes | | (3,596,504) | | (722,222) |
| Adjustments for: | | | | |
| (Increase)/Decrease in Inventories | (53,082,399) | | 39,307,759 | |
| (Increase)/Decrease in Trade Receivables | 29,919,179 | | (29,687,086) | |
| (Increase)/Decrease in Other Receivable | (5,463,327) | | (29,991,549) | |
| Increase/(Decrease) in Trade Payables | (17,893,294) | | 15,164,093 | |
| Increase/(Decrease) in Current Liabilities & Provision | 70,750 | (46,449,091) | 59,782 | (5,147,001) |
| Cash Generated From Operations | | (50,045,595) | | (5,869,223) |
| Less: Income Tax Paid | | - | | - |
| Net Cash from Operating Activities A | | (50,045,595) | | (5,869,223) |
| Cash Flow from Investing Activities | | | | |
| Loss on sale of Investments | (76,117) | | (34,779,443) | |
| Sale of investment | 43,946,740 | | 48,990,634 | |
| Purchase of of Fixed Assets | (19,835) | | - | |
| Loss on Sale of Fixed Asset | | 43,850,788 | - | 14,211,191 |
| Net Cash from Investing Activities B | | 43,850,788 | | 14,211,191 |
| Cash Flow from Financing Activities | | | | |
| Shares Issued | - | | - | |
| Share Premium on issue of Shares | - | | - | |
| (Increase)/Decrease in Long term Loans & Advances | - | | 690,478 | |
| Receipt of Unsecured Loans | - | | - | |
| Repayment of Unsecured Loans | - | - | - | 690,478 |
| Net Cash from Financial Activities C | | - | | 690,478 |
| Equivalents (A+B+C) | | (6,194,807) | | 9,032,446 |
| Cash and Cash Equivalents - Opening Balance | | 11,484,174 | | 2,451,727 |
| Cash and Cash Equivalents - Closing Balance | | 5,289,367 | | 11,484,174 |

As per our Report of Even Date

For Pravin Chandak & Associates
Chartered Accountants
(Firm Registration No.116627W)

Sd/-
Pravin Chandak
Partner
Membership No. 049391
Place : Mumbai
Date : 30th May 2016

For and on behalf of the Board of Directors
of TILAK VENTURES LIMITED
(Formerly Known as Tilak Finance Ltd.)

Sd/-
Girraj Agrawal
Managing Director
Din No.00290959

Sd/-
Shruti Shah
Company Secretary

Sd/-
Seema Sidhu
Director
Din No.06924919

Sd/-
Hiteshi R Shah
CFO

NOTES FORMING PART OF THE FINANCIAL STATEMENTS**1. SIGNIFICANT ACCOUNTING POLICIES****a) Basis of preparation of financial statements**

The financial statements are prepared in accordance with Generally Accepted Accounting Principles (“GAAP”) in India under the historical cost convention, on accrual basis of accounting and comply with Accounting Standard notified under section 133 of Companies Act, 2013 read with general Circular 8/2014 dated April 4, 2014 issued by Ministry of Corporate Affairs to the extent applicable. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

b) Going Concern Assumption:-

The financial statements have been prepared assuming entity will be able to continue its operation in near foreseeable future and there is no material circumstances casting doubt over going concern ability of company and neither management intends to liquidate its operation. Though company has incurred loss in the current year, management has made sufficient viable plan to overcome such situation in future and the plan appears to be promising to validate the going concern assumption.

c) Inventories

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any, except in case of by-products which are valued at net realizable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw materials, packing materials, trading and other products are determined on weighted average basis. Inventories are determined on First-in-First-Out (FIFO) basis.

d) Use of Estimates

The Preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management’s best knowledge of current events and actions, actual results could differ from these estimates. Any revision to the accounting estimates is recognized prospectively.

e) Revenue recognition

1. Income from Operation is recognized upon transfer of significant risks and rewards of ownership to the buyer.
2. Other Income is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.
3. Dividend is recognized when the shareholders’ right to receive payment is established at the balance sheet date.

f) Fixed Assets**Tangible Assets**

Fixed assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and attributable cost of bringing the asset to its working condition for its intended use. Borrowing costs relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use. Capital work in progress includes expenditure incurred till the assets are put into intended use.

Intangible Assets

Intangible Assets are stated at cost of acquisition net of recoverable taxes less accumulated amortization / depletion and impairment loss, if any. The cost comprises purchase price, borrowing costs, and any cost directly attributable to bringing the asset to its working condition for the intended use and net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the intangible assets.

g) Depreciation

Depreciation on tangible assets is provided using the Straight Line Method over the useful lives of the assets estimated by the Management. Depreciation for the assets purchased / sold during the year is proportionately charged as prescribed in Schedule II to the Companies Act, 2013. Intangible assets are amortized 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.

h) Impairment of assets

The carrying amounts of assets are reviewed at each balance sheet dates and if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to extent of the carrying value of the asset that would have been determined (net of amortization / depreciation), had no impairment loss been recognized.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

i) Investments

Investments that are readily realizable and intended to be held for not more than one year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost or fair value determined on individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary decline in the value of the investments.

j) Taxation

Tax expense comprises of current income tax and deferred income tax. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits. At each balance sheet date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax assets to the extent that it has become reasonably certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized. Minimum Alternative Tax (MAT) credit is recognized as an asset and carried forward only if there is a reasonable certainty of it being set off against regular tax payable within the stipulated statutory period.

k) Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders, share split and reverse share split (consolidation of shares).

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

l) Provisions, Contingent Liabilities and Contingent Assets

A provision is recognized when an enterprise has a present obligation as a result of past event it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Where no reliable estimate can be made, a disclosure is made as contingent liability. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

Possible future obligations or present obligations that may but will probably not require outflow of resources or where the same cannot be reliably estimated, is disclosed as contingent liabilities in the notes to accounts of financial statements.

Contingent Assets are neither recognized nor disclosed in the financial statements.

m) Cash Flow Statement

Cash flow statement has been prepared under the 'Indirect Method'. Cash and cash equivalents, in the cash flow statement comprise unencumbered cash and bank balances.

TILAK VENTURES LIMITED

(FORMERLY KNOWN AS TILAK FINANCE LIMITED)

NOTES FORMING PART OF CONSOLIDATED FINANCIAL STATEMENT AS AT 31ST MARCH, 2016

(Amount in Indian Rupees)

| | 31ST MARCH, 2016 | 31ST MARCH, 2015 |
|--|-------------------------|-------------------------|
| 2 Share Capital | | |
| <u>Authorised</u> | | |
| 13,25,00,000 Equity Shares of Re. 1/- each (Previous year 13,25,00,000 equity shares of Re. 1/- each) | 132,500,000 | 132,500,000 |
| Total Authorised Share Capital | 132,500,000 | 132,500,000 |
| <u>Issued, Subscribed and Paid up</u> | | |
| 12,84,80,000 Equity Shares of Re. 1/- each (Previous year 12,84,80,000 equity shares of Re. 1/- each) | 128,480,000 | 128,480,000 |
| Total Issued, Subscribed And Fully Paid Up Share Capital | 128,480,000 | 128,480,000 |
| a. Reconciliation of shares outstanding at the beginning and at the end of the reporting period | | |
| Equity shares of Re. 1 each | 31st March, 2016 | 31st March, 2015 |
| | Numbers | Rs. |
| At the beginning of the period | 128,480,000 | 128,480,000 |
| Issued during the period | - | - |
| Bought back during the period | - | - |
| Outstanding at the end of the period | 128,480,000 | 128,480,000 |
| b. Terms/rights attached to equity shares | | |
| <p>The Company has only one class of Equity Shares having par value of Re. 1 Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors are subject to the approval of the shareholders in the ensuing Annual General Meeting.</p> <p>In the event of liquidation of the Company, the holder of equity shares will being entitled to receive any of the remaining assets of the company, after distribution of all preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholders.</p> | | |
| c. Details of shareholders holding more than 5% shares in the | | |
| Equity shares of Re. 1 each fully paid | 31st March, 2016 | 31st March, 2015 |
| | Numbers | % holding in the class |
| Agrawal Bullion Limited (Formerly known as Kayaguru Health Solution Limited) | 21,750,439 | 16.93 |
| Axon Finance Limited (Formerly knowna as Axon Infotech Limited) | 23,000,000 | 17.90 |
| Shreenath Commercial & Finance Limited | 20,600,000 | 16.03 |
| Handful Investrade Private Limited | 8,845,138 | 6.88 |
| | 74,195,577 | 57.75 |

| | | | |
|----------|---|---------------------|---------------------|
| 3 | <u>Reserve & Surplus</u> | | |
| | Securities premium reserve | | |
| | Balance as per last financial statements | 193,135,000 | 193,135,000 |
| | Add: Premium on Shares issued during the year | - | - |
| | Closing balance | 193,135,000 | 193,135,000 |
| | Surplus/(deficit) in the Statement of Profit and Loss | | |
| | Balance as per last financial statements | (46,728,914) | (6,454,099) |
| | Profit/ (loss) for the year | (3,681,808) | (40,274,815) |
| | Less: Appropriations | - | - |
| | Closing balance | (50,410,722) | (46,728,914) |
| | Total Reserves And Surplus | 142,724,278 | 146,406,086 |
| 4 | <u>Trade Payables</u> | | |
| | Trade payables | - | 17,893,294 |
| | Total Trade Payables | - | 17,893,294 |
| 5 | <u>Other Current Liabilities</u> | | |
| | Other Current Liabilities | 126,889 | 54,782 |
| | Total Other Current Liabilities | 126,889 | 54,782 |
| 6 | <u>Short Term Provisions</u> | | |
| | Duties & Taxes Payable | 4,075 | 5,000 |
| | Provision for Expenses | - | - |
| | Total Other Current Liabilities | 4,075 | 5,000 |
| 8 | <u>Non Current Investments</u> | | |
| | Non Trade Investment (Quoted) | | |
| | In Equity Shares | | |
| | 2,37,867 equity shares of Rs.1 each fully paid up in Esaar (India) Limited (Previous year 10,21,005 shares) | - | 4,773,576 |
| | Less: Provision for diminution in value of Investments | - | (4,326,386) |
| | | - | 447,190 |
| | Non Trade Investments (Unquoted) | | |
| | In Optionally Convertible Redeemable Debenture | | |
| | 1 Optionally Convertible Redeemable Debenture Certificate of Rs. 30,00,000 in Infibeam Corporation Ltd. | - | - |
| | 1 Optionally Convertible Redeemable Debenture Certificates of Rs. 4,05,00,000 in Infibeam Corporation Ltd. | - | - |
| | In Equity Shares | | |
| | 91,578 Equity shares of Infibeam Corporation Limited | - | 43,946,740 |
| | Total Non Current Investments | - | 44,393,930 |
| | Aggregate amount of Quoted Investments | - | 4,773,576 |
| | Market value of Quoted Investment | - | 447,190 |
| | Aggregate amount of Unquoted Investments | - | 43,499,550 |

| | | |
|--|--------------------|--------------------|
| 9 Inventories | | |
| (As valued and certified by Management) | | |
| Stock-in-trade | | |
| Stock in Securities | | |
| Quoted | 4,914,279 | 1,131,780 |
| Unquoted | 83,199,900 | 33,900,000 |
| Stock in Fabrics | NIL | NIL |
| Total Inventories | 88,114,179 | 88,114,179 |
| 10 Trade Receivables | | |
| Unsecured, considered good | | |
| Outstanding for a period exceeding six months from the date they are due for payment | 1,294,656 | 1,320,795 |
| Others | - | 29,893,040 |
| Total Trade Receivables | 1,294,656 | 31,213,835 |
| 11 Cash and Cash Equivalents | | |
| Cash on hand | 195,055 | 316,277 |
| Balance with bank | 5,094,313 | 11,167,897 |
| Total Cash And Cash Equivalents | 5,289,367 | 11,484,174 |
| 12 Short Term Loans and Advances | | |
| Loan and advances | | |
| Loans and advances to Related parties | - | - |
| Loans and advances to Others | 171,490,117 | 165,918,345 |
| Balance with statutory/government authorities | 2,405,633 | 2,514,078 |
| Total Short Term Loans And Advances | 173,895,750 | 168,432,423 |

| | | |
|--------------------------------------|-------------------|--------------------|
| 13 Revenue From Operations | | |
| Sale of Textile Products | 13,817,354 | 66,193,040 |
| Sale of commodity | 12,974,500 | - |
| Sale of shares | 3,515,239 | 61,902,817 |
| Interest on loans | 9,217,947 | 14,750,998 |
| Total Revenue from Operations | 39,525,040 | 142,846,855 |
| 14 Other Income | | |
| Interest on Income Tax Refund | 76,637 | - |
| Interest on FD | 11,939 | - |
| Misc.Income | 12,000 | - |
| Total Other Income | 100,576 | - |

| | | |
|--|------------|------------|
| 15 Purchase of Traded Goods | | |
| Purchase of Textile Products | 14,020,069 | 65,293,326 |
| Purchase of commodity | 18,535,000 | - |
| Purchase of shares | 61,412,961 | 27,592,655 |
| Direct Transaction Charges | 13,664 | - |
| Total Purchase of Traded Goods | 93,981,693 | 92,885,981 |
| 16 Employee benefit expenses | | |
| Salaries | 1,360,521 | 1,510,182 |
| Staff welfare expenses | 7,863 | - |
| Directors Remuneration | 12,000 | - |
| Total Employee Benefit Expenses | 1,380,384 | 1,510,182 |
| 17 Finance Costs | | |
| Bank Charges | 9,274 | 4,181 |
| Interest on TDS | 241 | 25 |
| Total Finance Costs | 9,515 | 4,206 |
| 18 Other Expenses | | |
| Advertisement Expenses | 31,968 | 34,741 |
| Auditors Remuneration | | |
| As Audit Fees | 50,000 | 50,000 |
| Computer expenses | - | 28,800 |
| Conveyance & transportatin expenses | 37,090 | 28,810 |
| Demat & Share Transfer Charges | 138,275 | 102,500 |
| Electricity charges | 45,090 | 28,785 |
| Listing Fees | 224,720 | 125,000 |
| Loading and Unloading Charges | 28,000 | - |
| Misc. Expenses | 3,061 | - |
| Loss on sale of Investments | 76,117 | 34,779,443 |
| Loss on Currency trading | | 8,304,646 |
| Office Expenses | 9,010 | 8,919 |

| | | |
|--|-------------------|-------------------|
| 15 Purchase of Traded Goods | | |
| Purchase of Textile Products | 14,020,069 | 65,293,326 |
| Purchase of commodity | 18,535,000 | - |
| Purchase of shares | 61,412,961 | 27,592,655 |
| Direct Transaction Charges | 13,664 | - |
| Total Purchase of Traded Goods | 93,981,693 | 92,885,981 |
| 16 Employee benefit expenses | | |
| Salaries | 1,360,521 | 1,510,182 |
| Staff welfare expenses | 7,863 | - |
| Directors Remuneration | 12,000 | - |
| Total Employee Benefit Expenses | 1,380,384 | 1,510,182 |
| 17 Finance Costs | | |
| Bank Charges | 9,274 | 4,181 |
| Interest on TDS | 241 | 25 |
| Total Finance Costs | 9,515 | 4,206 |
| 18 Other Expenses | | |
| Advertisement Expenses | 31,968 | 34,741 |
| <i>Auditors Remuneration</i> | | |
| As Audit Fees | 50,000 | 50,000 |
| Computer expenses | - | 28,800 |
| Conveyance & transportatin expenses | 37,090 | 28,810 |
| Demat & Share Transfer Charges | 138,275 | 102,500 |
| Electricity charges | 45,090 | 28,785 |
| Listing Fees | 224,720 | 125,000 |
| Loading and Unloading Charges | 28,000 | - |
| Misc. Expenses | 3,061 | - |
| Loss on sale of Investments | 76,117 | 34,779,443 |
| Loss on Currency trading | - | 8,304,646 |
| Office Expenses | 9,010 | 8,919 |
| Postage & Courier | 15,675 | 16,901 |
| Printing & Stationery | 17,387 | 7,050 |
| Professional Tax (Company) | 4,000 | - |
| Professional fees | 62,000 | 19,500 |
| Processing charges | 25,000 | 689,375 |
| Provision for diminution in value of investments | - | 4,326,386 |
| Rent Rates & Taxes | 120,000 | 120,000 |
| Repairs & Maintenance | - | 26,000 |
| ROC Expenses | 34,700 | 11,900 |
| Sundry balances write off | (433) | (21) |
| Telephone Expenses | 7,625 | 12,411 |
| Transportaion Charges | 71,434 | - |
| Swachh Bharat cess | 370 | - |
| Other Transaction Charges | - | 245,632 |
| Warehousing Charges | 8,387 | - |

| | | |
|--|------------------|-------------------|
| Total Other Expenses | 1,009,477 | 48,966,778 |
| 19 Exceptional and Extraordinary items | | |
| Loss on Sale of Fixed Assets/ Loss on write off | - | - |
| Fixed Assets Written off | - | 266,842 |
| Total Exceptional and Extraordinary items | - | 266,842 |

| NOTE 7: FIXED ASSETS | | | | | | | | | | |
|-----------------------------|----------------|-------------------|----------------|----------------|----------------|-------------------|----------|----------------|---------------|----------------|
| (Amount in Indian Rupees) | | | | | | | | | | |
| ASSETS | GROSS BLOCK | | | | DEPRECIATION | | | NET BLOCK | | |
| | AS ON | ADD/ (DED.) | | AS ON | UPTO | ADD. / (DED.) | | UPTO | AS ON | AS ON |
| | 01/04/2015 | DURING THE PERIOD | | 31/03/2016 | 01/04/2015 | DURING THE PERIOD | | 31/03/2016 | 31/03/2016 | 31/03/2015 |
| <u>Tangible Assets</u> | | | | | | | | | | |
| Computer | 586,192 | - | - | 586,192 | 583,638 | - | - | 583,638 | 2,553 | 2,554 |
| Office Equipments | 27,990 | - | - | 27,990 | 26,591 | - | - | 26,591 | 1,398 | 1,399 |
| Furniture & Fixture | 14,500 | - | - | 14,500 | 13,775 | - | - | 13,775 | 725 | 725 |
| Computer new | - | 19,835 | - | 19,835 | - | 54 | - | 54 | 19,780 | - |
| TOTAL RS. | 628,682 | 19,835 | - | 648,517 | 624,004 | 54 | - | 624,058 | 24,456 | 4,678 |
| PREVIOUS YEAR | 895,524 | - | 266,842 | 628,682 | 559,465 | 64,539 | - | 624,004 | 4,676 | 336,059 |

TILAK VENTURES LIMITED (Formerly known as TILAK FINANCE LIMITED)**NOTES FORMING PART OF THE FINANCIAL STATEMENTS****20. Consolidated Financial Statements**

Company is holding 27.63% and 20.88% shares of Rockon Capital Market Pvt. Ltd. (Formerly Known as Kayaguru Wellness Pvt. Ltd.) and Kayaguru Capital Market Pvt. Ltd.) Respectively which are more than 20 % of total shareholding of that company. However, such shares have been held as stock in trade by the Company with intention to sale them in near foreseeable future. Hence, company is not required to prepare Consolidated Financial statement in accordance with AS-23.

21. Employee benefits

Provision for retirement benefits to employees was not provided on accrual basis, which is not in conformity with Accounting Standard-15 issued by ICAI and the amount has not been quantified because actuarial valuation report is not available. However, in the opinion of the management the amount involved is negligible and has no material impact on the Profit & Loss Account.

22. CONTINGENT LIABILITY & CAPITAL COMMITMENTS:

| | 2015-2016 Amount in Rs. | 2014-2015 Amount in Rs. |
|---|------------------------------------|------------------------------------|
| Contingent Liabilities not provided for* | NIL | 5,910 |
| Contingent Liabilities not provided for** | 5,00,000 | 5,00,000 |
| Capital Commitments not provided for | NIL | NIL |
| Others | NIL | NIL |

* The demand is raised by the assessing officer u/s 143(1) from the Income Tax Authorities for the Assessment Year 2008-09. The demand raised is likely to be deleted and accordingly no provision is considered necessary.

** During the year, company has received various letters from RBI for carrying on NBFC business without obtaining certificate of registration (COR) from RBI. Hence, penal provisions of section 58-B (4-A) of the RBI Act, 1934 will be attracted imposing liability for payment of fine. However, no fine has been imposed till date.

23. EARNING PER SHARE:

Earning per Share, as required by the Accounting Standard 20- "Earning Per Share" issued by the Institute of Chartered Accountants of India, is given below:

| Particulars | 2014-15 Amount in Rs. | 2013-14 Amount in Rs. |
|---|----------------------------------|----------------------------------|
| Net profit for the period attributable to Equity Shareholders (Rs.) | (36,81,808) | (4,02,74,815) |
| Weighted Average No of Equity shares outstanding for Basic Earning per share | 12,84,80,000 | 12,84,80,000 |
| Weighted Average No. of Equity shares outstanding for Diluted earning per share | 12,84,80,000 | 12,84,80,000 |
| Basic Earning Per Shares (face value of Rs. 1/-each) (Rs) | (0.029) | (0.313) |
| Diluted earning per share (face valued of Rs.1/-each) (Rs.) | (0.029) | (0.313) |

24. **RELATED PARTY TRANSACTION:****List of Related Parties:-****a) Key Management personnel :-**

- i) Girraj Kishor Agrawal
- ii) Shruti Shah
- iii) Hiteshi Rajendra Shah

b) Relatives to Key Management personnel :-

- i) Girraj Kishor Agrawal HUF
- ii) Saloni Agrawal
- iii) Tanu Agrawal

c) Related parties over which Key Management personnel have significant influence :-

- i) Axon Ventures Limited
- ii) Agrawal Bullion Limited
- iii) Banas Finance Limited
- iv) Five X Tradecom Limited
- v) Handful Investrade Private Limited
- vi) Kayaguru Capital Market Private Limited
- vii) Rockon Capital Market Private Limited
- viii) Rockon Enterprises Limited
- ix) Proaim Enterprises Limited

Transaction with Related Parties:-

| List of Related Party | Nature of Transaction | 2015-16 Amount in Rs. | 2014-15 Amount in Rs. |
|--|------------------------------------|-----------------------------|--------------------------|
| Girraj Kishor Agrawal | Expenses paid on behalf of company | 33,100 | 10,700 |
| | Office Rent paid | 1,20,000 | 1,20,000 |
| | Balance at year end | NIL | NIL |
| Girraj Kishor Agarwal HUF | Expenses paid on behalf of company | NIL | 1200 |
| Shruti Shah | Remuneration Paid | 77,888 | NIL |
| Hiteshi Rajendra Shah | Remuneration Paid | 29,183 | NIL |
| Agrawal Bullion Limited (Formerly "Kayaguru Health Solutions Limited") | Share Purchase | 88,00,000 | NIL |
| | Balance at year end | NIL | NIL |
| Axon Ventures Ltd (Formerly known as Axon Finance Limited) | Loan Taken | 1,00,000 | NIL |
| | Loan Repaid | 1,00,000 | NIL |
| | Balance at year end | NIL | NIL |

| | | | |
|---|---------------------|----------|-----------|
| Five X Tradecom Limited (Formerly known as Five X Finance & Investment Limited) | Shares Sales | NIL | 84,78,750 |
| | Textiles Sales | 6,34,690 | NIL |
| | Balance at year end | NIL | NIL |

25. MAJOR COMPONENTS OF DEFERRED TAX LIABILITIES:

| | 2015-2016 Amount in Rs. | 2014-2015 Amount in Rs. |
|--|-----------------------------------|-----------------------------------|
| Deferred Tax Asset / (Liability) on Account of Depreciation | 9,848 | 13,340 |
| Deferred Tax Asset on Account of Unabsorbed Losses | 27,06,987 | 27,12,194 |
| Deferred Tax Assets/(Liability) – (Net) | 27,16,835 | 27,25,534 |

26. Income in Foreign Currency :

| | 2015-2016 Amount in Rs. | 2014-2015 Amount in Rs. |
|----------------------------|-----------------------------------|-----------------------------------|
| Income in Foreign Currency | NIL | NIL |

27. Expenditure in Foreign Currency :

| | 2015-2016 Amount in Rs. | 2014-2015 Amount in Rs. |
|---------------------------------|-----------------------------------|-----------------------------------|
| Expenditure in Foreign Currency | NIL | NIL |

28. As per information available with the Company, none of the creditors has confirmed that they are registered under the Micro, Small and Medium enterprises Development Act, 2006.
29. Trade Receivable, Trade Payable, Short Term Borrowings and Short Term Loans and Advances balances are subject to confirmation and reconciliation.
30. The financial assets of the company constitute more than 50% of the total assets of the company. The company is also engaged in trading activity the income from which is more than 50% of the gross income of the company. Hence, the company does not fulfill one of the NBFC criterion prescribed in terms of section 45-IA of the RBI Act, 1934 in the current financial year and therefore NBFC provisions are not applicable in the current financial year.
31. During the year there is a sales return of Rs. 1,81,63,966 /- and consequential Purchase return of Rs.1,78,93,294/- in textile, under commodity Trading division. We were explained that the goods were directly transferred from purchaser to supplier as terms of reference which were verbal were not complied.
32. Majority of the loans given are demand loans, therefore in some cases the terms of repayment and loan agreement are not available. In view of the management all the loans outstanding are considered good and therefore no provision has been made for bad and doubtful assets. Demand and other loans given are governed by the Board policies. Considering the close monitoring of Board no appraisal, renewal, Policies, Procedure, Committee or documents have been prescribed and executed.
33. Purchase and Sale of unquoted securities are done as per demand and supply forces of the market. Therefore the rationale for the same is not available. In view of the management all the unquoted securities in stock are considered as good and therefore no provision for diminutions has been made for Investments. Purchase and sale decisions are governed by the Board policies. Considering the close monitoring of Board no appraisal, Policies, Procedure, Committee or documents have been prescribed and executed.
34. As the intention is to hold the unquoted securities for sale in short term and in absence of flow of periodic data, absence of liquidity and market related data closing stock of unquoted shares are valued at cost.

35. Segment Information:

The Company has identified business segments as its primary segment. Business segments are primarily “Finance & Securities” and “Commodity Trading”. Revenue and expenses, assets and liabilities directly attributable to segments are reported under each reportable segment.

| Note : 35 | | | | | | | |
|---|--|----------------------|-------------------|---------------|------------|---------------|--------------|
| In compliance to Accounting Standard 19 | | | | | | | |
| Sr No | Particulars | Amount in Rs. | | Amount in Rs. | | Amount in Rs. | |
| | | Finance & Securities | Textile Operation | Total | | | |
| | | 2015-16 | 2014-15 | 2015-16 | 2014-15 | 2015-16 | 2014-15 |
| 1 | Segment Revenue | 12,733,186 | 76,653,815 | 26,791,854 | 66,193,040 | 39,525,040 | 142,846,855 |
| 2 | Segment Results | 4,388,961 | 9,753,401 | (5,871,037) | 899,714 | (1,482,075) | 10,653,115 |
| 3 | Unallocable expense (net) | | | | | 2,291,609 | 50,545,705 |
| 4 | Operating Income | | | | | - | - |
| 5 | Other Income (Net) | | | | | 100,576 | - |
| 6 | Profit before exceptional item and tax | 4,388,961 | 9,753,401 | (5,871,037) | 899,714 | (3,673,109) | (39,892,590) |
| 7 | Exceptional item | | | | | - | (266,842) |
| 8 | Profit before Tax | | | | | (3,673,109) | (40,159,432) |
| 9 | Tax expense | | | | | | |
| | Less :- Provision for Income Tax | | | | | - | - |
| | Less :- Provision for Deferred Tax | | | | | (8,699) | (115,383) |
| 10 | Net Profit / (Loss) for the year | | | | | (3,681,808) | (40,274,815) |
| 11 | Segment Assets | 271,335,243 | 292,839,162 | - | - | 271,335,243 | 292,839,162 |
| | (Current assets plus Fixed assets & WLP and Investments) | | | | | | |
| 12 | Segment Liabilities | - | 17,893,294 | - | - | - | 17,893,294 |
| | Other Information | | | | | | |
| 13 | Capital Expenditure (unallocable) | | | | | - | - |
| 14 | Depreciation & amortisation (unallocable) | | | | | - | - |
| 15 | Other significant non cash expense (allocable) | | | | | - | - |
| 16 | Other significant non cash expense (net) (unallocable) | | | | | - | - |

| | | | | | | | |
|---|--|--|--|--|--|--|--|
| | | | | | | | |
| Due to unavailability of suitable basis for apportionment, only direct expenses related to Textile Trading business are considered in segment results of Textile Trading Activity | | | | | | | |

36. Previous year's figures have been regrouped, rearranged and reclassified wherever necessary to conform to the current's classification/ presentation.

37. Management is intended to dispose of Investment held in shares of Infibeam Incorporation Limited of Rs. 4,34,99,550/- therefore the same has been classified under stock in trade.

AS PER OUR REPORT OF EVEN DATE

FOR PRAVIN CHANDAK & ASSOCIATES
Chartered Accountants
(Firm Registration No. 116627W)

Sd/-
Pravin Chandak
Partner
Memberships No. 049391
Place: Mumbai
Date: 30th May 2016

**FOR AND ON BEHALF OF THE BOARD
OF TILAK VENTURES LIMITED**

Sd/-
Girraj Agrawal
Managing Director
DIN: 00290959

Sd/-
Shruti Shah
Company Secretary

Sd/-
Seema Sidhu
Director
DIN: 06924919

Sd/-
Hiteshi R Shah
CFO

TILAK VENTURES LIMITED

(Formerly Tilak Finance Limited)

Registered Office: E/109, Crystal Plaza, Opp. Infinity Mall, New Link Road, Andheri (West), Mumbai- 400053.

CIN: L65910MH1980PLC023000 Email: tilakfin@gmail.com | Website: www.tilakfinance.com | Tel: 022-61522222

ATTENDANCE SLIP

35th Annual General Meeting, September 30, 2016 at 2:00 P.M.

| | |
|---------------------------|--|
| Regd. Folio No. | |
| No. of Equity Shares held | |

| | |
|--------------|--|
| * DP ID: | |
| * Client ID: | |

| | |
|-------------------------|--|
| Name of the Shareholder | |
| Name of Proxy | |

I certify that I am a registered shareholder/proxy for the registered Shareholder of the Company and hereby record my presence at the 31st Annual General Meeting of the Company on Wednesday, September 28, 2016 at 11.00 a.m. at the Company at E/109, Crystal Plaza, Opp. Infinity Mall, New Link Road, Andheri (West), Mumbai- 400053

SIGNATURE OF THE MEMBER OR THE PROXY ATTENDING THE MEETING

_____ **If Member, please sign here**

_____ **If Proxy, please sign here**

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Shareholders are informed that no duplicate attendance slips will be issued at the venue of meeting. Members are requested to bring their copies of the Annual Report to the meeting.

----- Please tear here -----

TILAK VENTURES LIMITED

(Formerly Tilak Finance Limited)

Registered Office: E/109, Crystal Plaza, Opp. Infinity Mall, New Link Road, Andheri (West), Mumbai- 400053.

CIN: L65910MH1980PLC023000 Email: tilakfin@gmail.com | Website: www.tilakfinance.com | Tel: 022-61522222

Form No. MGT – 11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 (the Act) and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]
35th Annual General Meeting, September 30, 2016 at 2:00 P.M.

| | |
|------------------------------|--|
| Name of the member(s): | |
| Registered address: | |
| Email Id: | |
| Folio No./Client Id / DP ID: | |

I/We, being the member(s) holding _____ shares of the above named Company, hereby appoint the following as my/our Proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Wednesday, September 28, 2016 at 11.00 a.m. at E/109, Crystal Plaza, Opp. Infinity Mall, New Link Road, Andheri (West), Mumbai- 400053

1. Mr./Ms..... of in the district of or failing him / her
2. Mr./Ms..... of in the district of or failing him / her
3. Mr./Ms..... of in the district of or failing him / her

Signed this day of, 2016

Please Affix
Re.1/-
Revenue
Stamp and
sign
Across

.....
Signature of the Member

Note: This form in order to be effective shall be duly stamped, completed and deposited at the Registered Office of the Company not less than 48 hours before the meeting.

Form No. MGT – 12

Ballot Paper

[Pursuant to Section 109(5) of the Companies Act, 2013 (the Act) and Rule 21(1) (c) of the Companies (Management and Administration) Rules, 2014]

CIN: L65910MH1980PLC023000

Name of Company: Tilak Ventures Limited

Registered Office: E/109, Crystal Plaza, New Link Road, Andheri (West), Mumbai - 400053

Email: tilakfin@gmail.com | Website: www.tilakfinance.com | Tel: 022-61522222

35th Annual General Meeting, September 30, 2016 at 2:00 P.M.

| Poll paper | | | | |
|---|---|--------------------------|----------------------------|-----------------------------------|
| Sr. No. | Particulars | Details | | |
| 1 | Name of the First Named Shareholder (In block letters) | | | |
| 2 | Postal Address | | | |
| 3 | Registered Folio No./*Client ID No. (*Applicable to investors holding shares in dematerialized form) | | | |
| 4 | Class of Share | | | |
| I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolution in following manner: | | | | |
| Sr. No. | Item No. | No. of Shares held by me | I assent to the resolution | I dissent from the resolution |
| 1 | To receive, consider and adopt the audited financial statements for the financial year ended 31 st March, 2016, and the Reports of the Directors and Auditors thereon. | | | |
| 2 | To appoint a Director in place of Mr. Girraj Kishor Agrawal (DIN: 00290959), Managing Director, (though not liable to retire by rotation but pursuant to Article 121(iii) of the Articles of Associations) who retire by rotation in compliance of the provisions of Section 152 of the Companies Act, 2013 (hereinafter called "the Act") and being eligible, offers himself for re-appointment. | | | |
| 3 | To ratify the appointment of M/s. Pravin Chandak & Associates, Chartered Accountants, Mumbai (Registration No. 116627W) as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 36 th Annual General Meeting and to authorize the Board of Directors to fix their remuneration for the Financial Year 2016-17. | | | |
| 4 | To regularize the appointment of Ms. Swati Shinde (DIN: 07286912) as an Independent Non- Executive Director. | | | |
| 5 | To regularize the appointment of Mr. Hardik Kabariya (DIN: 07566240) as an Independent Non- Executive Director. | | | |
| 6 | Approval for Related Party Transaction | | | |
| Place: Mumbai Date: | | | | |
| | | | | (Signature of Shareholder) |

TILAK VENTURES LIMITED

CIN: L65910MH1980PLC023000

Regd. Off: E/109, Crystal Plaza, New Link Road, Andheri (West), Mumbai -400053

Tel No: 022-61522222/34 | Email Id: tilakfin@gmail.com | Website: www.tilakfinance.com

Dear Shareholder(s),

This is to inform you that the company is in process of updation of records of the shareholders in order to reduce the physical documentation as far as possible.

With new BSE listing agreement, it is mandatory for all the investors including transferors to complete their KYC information. Hence, we have to update your PAN No., phone no. and e-mail id in our records. We would also like to update your current signature records in our system.

To achieve this we solicit your co-operation in providing the following details to us :

1. If you are holding the shares in dematerialized form you may update all your records with your Depository Participant (DP).
2. If you are holding shares in physical form, you may provide the following :

Folio No. :
Pan No. :
E-mail ID :
Telephone No. :
Name and Signatures : i.
ii.
iii.

For Tilak Ventures Limited

Sd/-

Girraj Kishor Agrawal

Managing Director

DIN: 00290959

AGM Route Map



BY COURIER

If Not Delivered Return To:

Registered Office
E/109, Crystal Plaza,
Opp. Infinity Mall, New Link Road,
Andheri (West), Mumbai- 400053
Email: tilakfin@gmail.com
Website: www.tilakfinance.com
Tel: 022-61522222