

TILAK FINANCE LTD

30th ANNUAL REPORT
F.Y.2010-11

30th ANNUAL REPORT

BOARD OF DIRECTORS

SHRI GIRRAJ KISHOR AGRAWAL	-	Director
SMT TANU GIRRAJ AGARWAL	-	Director
SHRI TUSHAR RAMCHANDRA RANE	-	Director
SHRI PRAVIN VASISHTH	-	Director

AUDITORS :

M/S PRAVEEN CHANDAK & ASSOCIATES,
403, NEW SWAPANALOK CHS LTD,
NATAKWALA LANE,
BORIVALI(W),
MUMBAI-400092

REGISTERED OFFICE :

E/109, CRYSTAL PLAZA,
NEW LINK ROAD, ANDHERI (WEST),
MUMBAI : 400053.

REGISTAR & TRANSFER AGENT

SHAREX DYNAMIC (INDIA) PVT LIMITED
UNIT NO 1 LUTHARA IND PREMISES
SAFED POOL, ANDHERI KURLA ROAD,
ANDHERI EAST, MUMBAI 400 072.

WEBSITE :

www.tilakfinance.com

NOTICE

Notice is hereby given that the **30th** Annual General Meeting of the Members of **TILAK FINANCE LIMITED** will be held on 17th August 2011 at **03:30 P.M** at the Registered Office at E-109 Crystal Plaza, New Link Road, Andheri West, Mumbai 400053 to transact the following business.

ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as at 31st March 2011, the Profit and Loss Account for the year ended on that date and the reports of the Board of Directors and Auditors thereon.
2. To appoint Mr. Girraj Kishor Agrawal as Director of the company, who retires by rotation and, being eligible, offers himself for reappointment.
3. To appoint auditor and to fix his remuneration in consultation with the board.

SPECIAL BUSINESS :

4. To consider and, if thought fit, to pass, with or without modification, the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT Mr. Tushar Rane, who was appointed as an Additional Director pursuant to Section 260 of the Companies Act, 1956, 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 under Section 257 of the Companies Act, 1956, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

5. To consider and, if thought fit, to pass, with or without modification, the following resolution as an ORDINARY RESOLUTION:

“RESOLVED THAT Mr. Pravin Vasishth, who was appointed as an Additional Director pursuant to Section 260 of the Companies Act, 1956, 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 under Section 257 of the Companies Act, 1956, proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

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

“RESOLVED that pursuant to the provisions of Section 94 and other applicable provisions, if any, of the Companies Act, 1956 (“the Act”) and the provisions of Article 12 of the Articles of Association of the Company and subject to the approvals, consents, permissions and sanctions as may be necessary from the appropriate authorities or bodies, (a) each of the 1,22,20,000 equity shares of the nominal value of Rs.10/- each in the authorised share capital of the Company be sub-divided into 12,22,00,000 equity shares of Rs. 1/- each AND THAT Clause V (being Capital Clause) of the Memorandum of Association of the Company relating to equity shares be altered accordingly.

RESOLVED FURTHER that the Board of Directors of the Company (“the Board”, which expression shall also include a Committee thereof) be and they are hereby authorised to issue new share certificates representing the sub-divided equity shares with new distinctive numbers, consequent to the sub-division of shares as aforesaid and /or credit the shareholders’ accounts maintained with the Depositories, subject to the rules as laid down in the Companies (Issue of Share Certificates) Rules, 1960, and the Articles of Association of the Company and to inform the Depositories and the Registrar and Transfer Agents of the Company and execute all such documents, instruments and writings as may be required in this connection and to delegate all or any of the powers herein vested in the Board, to any Committee thereof or to any Director(s) or Company Secretary, to give effect to the aforesaid resolution.”

REGISTERED OFFICE

At E-109 Crystal Plaza,
New Link Road, Andheri (W),
Mumbai - 400 053,

BY ORDER OF THE BOARD

Sd/-
Girraj Kishor Agrawal
Chairman

DATED : 15/ 07/2011

NOTES

- 1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
- 2) The Register of Members and the Transfer Book of the Company will remain closed from 01/08/2011 to 02/08/2011 (both days inclusive.)
- 3) Members / Proxies should bring attendance slip duly filled in for attending the meeting. Members are also requested to bring their copies of Annual Report.
- 4) 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 Sharex Dynamic Private Limited, Luthra Industrial Premises, Unit No. 1, Safed Pool, Andheri (E), Mumbai - 400 072
- 5) Printed copies of the Balance Sheet, Profit and Loss Account, Director's Report, the Auditor's Report and every other documents required by the law to be annexed or attached to the Balance Sheet for the period ended 31st March, 2011 are enclosed herewith.
- 6) Members seeking any information with regard to accounts are requested to write to the company at least one week in advance so as to enable the management to keep the information ready.
- 7) Proxies in order to be effective must be deposited duly stamped and signed at the Registered Office of the Company not less than 48 hours before the meeting.
- 8) The relative Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 is enclosed and forms part of the Notice.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES, 1956.**Item Nos. 4**

Mr. Tushar Rane have been appointed as Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956 read with Articles of Association of the Company with effect from 11/11/2010. The terms of the directors expire at the ensuing Annual General Meeting of the Company. The Company has received notice from the member proposing to appoint Mr. Tushar Rane as Director of the Company.

None of the Directors of the Company are interested in passing the resolution, except Mr. Tushar Rane to the extent of his appointment as Director of the Company.

Item Nos. 5

Mr. Pravin Vasishth have been appointed as Additional Director of the Company pursuant to Section 260 of the Companies Act, 1956 read with Articles of Association of the Company with effect from 15/07/2011. The terms of the directors expire at the ensuing Annual General Meeting of the Company. The Company has received notice from the member proposing to appoint Mr. Pravin Vasishth as Director of the Company.

None of the Directors of the Company are interested in passing the resolution, except Ms Saloni Girraj Agrawal to the extent of his appointment as Director of the Company.

Item Nos. 6

The shareholders to note that the equity shares of your Company are listed on the Stock Exchange, Mumbai (BSE). The shares are actively traded on BSE.

The market price of the shares of the Company has witnessed significant spurt over the last 6 months. In order to improve the liquidity of the Company's shares in the stock market and to make it affordable to the small investors, the Board of Directors of the Company ('the Board') at their meeting held on 15/07/2011, considered it desirable to sub-divide the nominal value of the equity portion of the authorised share capital of the Company.

Annual Report 2010-2011

The shareholders may please note that presently the nominal value of the equity shares is Rs.10/- each and consequent to the sub-division it is being divided into 10 (Ten) equity shares of Rs. 1/- each. The date on which this sub-division would become effective, will be decided by the Board after obtaining the shareholders' approval, which will be notified through the Stock Exchanges.

Shareholders attention is also invited to the fact that in view of the foregoing, the existing Capital Clause V in the Memorandum of Association of the Company relating to equity shares also need relevant amendment to give effect to the sub-division.

The Directors of the Company are deemed to be concerned or interested in the resolution only to the extent of shares held by them in the Company.

REGISTERED OFFICE

At E-109 Crystal Plaza,
New Link Road, Andheri (W),
Mumbai - 400 053,

DATED : 15/ 07/2011

BY ORDER OF THE BOARD

Sd/-
Girraj Kishor Agrawal
Chairman

**Details of the Directors seeking appointment / re-appointment at the forthcoming
Annual General Meeting.
(In pursuance of Clause 49 (vi) (A) of the Listing agreement.)**

Director seeking re-appointment

Name of the Director.	Shri Tushar Rane
Date of Birth.	01/05/1980
Date of Appointment.	11/11/2010
Expertise in any specific functional Area.	NIL
Qualification	B.A.
Directorships held in other companies. (excluding foreign- Companies.)	1) Banas Finance Ltd 2) Rockon Fintech Limited 3) Sarah Construction Private Limited 4) Trask Infrastructure Private Limited 5) Axon Infotech Limited
Committee position held in other Companies.	1) Chairman and Member in Remuneration Committee and Member in Audit and Shareholders Committee of Banas Finance Ltd. 2) Member in Audit, Remuneration and Shareholders Committee of Rockon Fintech Ltd. 3) Member in Audit Committee of Axon Infotech Limited

Director seeking re-appointment

Name of the Director.	Shri Pravin Vasishth
Date of Birth.	12/01/1971
Date of Appointment.	15/07/2011
Expertise in any specific functional Area.	NIL
Qualification	B.A.
Directorships held in other companies. (excluding foreign- Companies.)	1) Rockon Fintech Limited 2) Trask Infrastructure Private Limited
Committee position held in other Companies.	1) Chairman and Member in Remuneration Committee and Member in Audit and Shareholders Committee of Rockon Fintech Ltd.

Director seeking re-appointment

Name of the Director.	Shri Girraj Kishor Agrawal
Date of Birth.	19/05/1964
Date of Appointment.	23/12/2009
Expertise in any specific functional Area.	NIL
Qualification	Chartered Accountant
Directorships held in other companies. (excluding foreign- Companies.)	1) Banas Finance Ltd 2) Axon Infotech Ltd. 3) Shree Nath Commercial & Finance Ltd. 4) Five X Finance & Investment Ltd. 5) Kayaguru Health Solutions Private Ltd. 6) Kayaguru Insurance Broker Private Ltd. 7) Kayaguru Wellness Private Ltd. 8) Handful Investrade Pvt. Ltd. 9) GSR Techno Consultancy Private Ltd.
Committee position held in other Companies.	1) Member in Audit, Remuneration and Shareholders Grievance Committee in Axon Infotech Ltd. 2) Member in Audit, Remuneration and Shareholders Grievance Committee in Shree Nath Commercial & Finance Ltd.

BOARD OF DIRECTORS' REPORT

To
The Members

Your Directors present their 30th Annual Report with Audited Statement of Accounts for the year ended on March 31, 2011.

Financial Results

(Amt. In Lacs)

Particulars	Year Ended 31/03/2011	Year Ended 31/03/2010
Income	790.25	245.56
Profit before Dep. & Int.	37.60	170.84
Depreciation	17.52	3.82
Interest	0.00	0.00
Profit after Depreciation & Interest	20.07	167.02
Provision for Taxation	3.72	47.07
Provison for Tax (deferred)	8.61	8.83
Profit after Tax	7.74	111.12
Net profit/ (Loss)	7.74	111.12
Amount Available for Appropriation	7.74	111.12
Balance carried to Balance Sheet	7.74	111.12

FINANCIAL HIGHLIGHTS

During the year Company's total sales including other income is Rs 790.25 lacs as compared to Rs. 245.56 lacs in the previous year and thereby registering an increase of 222% as compared to the previous year.

DIVIDEND

Your Directors decided to plough back the profit and therefore dividend is not declared.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company Mr. Girraj Kishor Agrawal retire by rotation at the ensuing Annual General Meeting, and being eligible offers himself for reappointment.

During the financial year 2010-11, the Board of Directors appointed Mr. Tushar Rane as an Additional Director with effect from 11 November, 2010. Your Directors recommend the appointment of Mr. Tushar Rane as a Director of your Company at the forthcoming Annual General Meeting.

The Board of Directors also appointed Mr. Pravin Vasishth as an Additional Director with effect from 15 July, 2011. Your Directors recommend the appointment of Mr. Pravin Vasishth as a Director of your Company at the forthcoming Annual General Meeting.

DEPOSITS

Your company has not accepted any deposits within the meaning of Section 58 A of The Companies Act, 1956.

FOREIGN EXCHANGE

There is no inflow and outflow of Foreign Exchange.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

That in the preparation of the accounts for the financial year ended 31st March 2011 the applicable accounting standards have been followed, along with proper explanation relating to all material departures.

That they have, in the selection of the accounting policies, consulted the statutory auditors and have 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 financial year and of the profit of the Company for that period.

They have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

That the Directors have prepared the accounts for the financial year ended 31st March 2011 on a going concern basis.

AUDITORS

M/S. PRAVIN CHANDAK & ASSOCIATES, Chartered Accountants statutory auditors of the Company retire at the forthcoming Annual General Meeting and, being eligible, offer themselves for re-appointment. The Company has received a certificates from them under Section 224(1-B) & 226(3) of the Companies Act, 1956.

AUDITORS REPORT

Observations made in the Auditors' Report are self-explanatory and therefore do not call for any further comments under Section 217(3) of the Companies Act, 1956.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The particulars under the companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988, on conservation of energy and Technology absorption is not applicable

PARTICULARS OF EMPLOYEE

The information required under section 217(2A) of the Companies Act 1956, read with the Companies (particulars of employees) Rules 1975, forms part of this report - Not applicable.

LISTING OF SHARES

Equity shares of your Company are listed on Bombay Stock Exchange only and the Company has paid the necessary Listing fees for the year 2010 - 2011.

BONUS SHARES

Evaluating the good business done by the Company and in order to create long term value for its investors, reward to the public shareholders, the Board of Directors of the Company has approved and recommends, issue and allotment of Bonus shares by capitalization of Reserves and Surplus of the Company.

PREFERENTIAL ALLOTMENT

During the year Company has issued 1,09,95,000 equity shares at Rs. 10/- each at premium of Rs 5/- on preferential basis to promoters and non promoters.

POSTAL BALLOT

Postal ballot was conducted by the company for the alteration in Objects Clause of Memorandum of Association.

GREEN INITIATIVE IN CORPORATE GOVERNANCE'

The ministry of corporate Affairs (vide circular nos.17/2011 and 18/2011 dated April 21 and April 29,2011 respectively), has undertaken 'Green initiative in corporate Governance' and allowed companies to share

documents with its shareholders through an electronic mode. Members are requested to support their green initiative by registering/updating their email addresses, in respect of shares held in dematerialised form with their respective depository participants and in respect of shares held in physical form with TSRDL.

CORPORATE GOVERNANCE COMPLIANCE

As required under the listing agreement with the stock exchange, corporate governance and management discussion and analysis report form part of this Annual Report.

ACKNOWLEDGEMENT

The Board of Directors wishes to express sincere thanks to Bankers, Shareholders, clients, Financial Institutions, customers, sup-pliers and employees of Companies for extending support during the year.

FOR & ON BEHALF OF THE BOARD

Sd/-

Girraj Kishor Agrawal

Chairman

PLACE : MUMBAI

DATED : 15/07/2011

CORPORATE GOVERNANCE REPORT**A) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

The Company believes in transparent dealings and integrity and compliance of rules and regulations. The Company firmly believes that good corporate governance is pre-requisite to meet the stakeholders' requirements and needs. The mandatory requirements of the code of Corporate Governance as per clause 49 of the listing agreement have been implemented by your Company.

B) BOARD OF DIRECTORS

The Board of Directors comprises of Mr. Girraj Kishor Agarwal, Mrs. Tanu Girraj Agarwal as Non Executive Director, Mr. Tushar Rane as Independent Non Executive Director and Pravin Vasishth as Independent Non Executive Director

- a) The composition of the Board of Directors and their attendance at the meetings during the period and at the last Annual General Meeting as also number of other directorships, membership of committees are as follows: -

Name of Director	Status	No. of Board meetings Attended	Attendance at last AGM	No. of other Director ships	Committee Membership	
					Member	Chairman
Mr. Girraj Kishor Agarwal	N.E.D	16	Yes	9	9	-
Mrs. Tanu Girraj Agarwal	N.E.D	16	Yes	9	9	-
Mr. Tushar Rane	I.N.E.D	16	No	5	10	4
Mr. Pravin Vasishth	I.N.E.D	Nil	No	1	3	3

N.E.D Non Executive Director

W.T.D Whole Time Director

I.N.E.D Independent Non Executive Director

Notes:

During the period ended 31st March 2011, 16 Board Meetings were held on the following dates:

12/04/2010, 30/04/2010, 06/05/2010, 20/05/2010, 28/05/2010, 04/06/2010, 15/06/2010, 21/07/2010, 14/08/2010, 17/09/2010, 27/09/2010, 06/10/2010, 07/10/2010, 12/11/2010, 06/01/2011 and 15/02/2011.

C) AUDIT COMMITTEE

The Audit Committee comprises of viz Mr. Tushar Rane, one non-executive Independent Director as Chairman of Audit Committee, Mrs. Tanu Girraj Agarwal, Mr. Pravin Vasishth as members of Committee.

The Committee met four times during the period ended 31st March 2011.

The terms of reference of the Committee are as per the guidelines set out in Clause 49 of the listing agreement with the Stock Exchanges and section 292A of the Companies Act, 1956 and inter alia it briefly includes review of quarterly and Annual financial statements, the statutory Auditor's Report on the financial statements, Internal audit reports, internal controls, Accounting policies and to generally interact with the Internal Auditors and Statutory Auditors.

D) SHAREHOLDERS' / INVESTORS' GRIEVANCE COMMITTEE

The Committee comprises of Mr. Tushar Rane, Mr. Pravin Vasishth and Mrs. Tanu Girraj Agarwal. The Committee normally meets twice a month to approve transfer of shares and other shares related matters. Mr. Pravin Vasishth is the Chairman of the Committee.

E) REMUNERATION COMMITTEE

Remuneration Committee comprises of Mr. Tushar Rane as Chairman of the committee and Mrs. Tanu Girraj Agarwal, Mr. Girraj Kishor Agarwal Directors are committee members. During the year under review, no Meeting was held.

The details of remuneration paid to Chairman and whole time Director of the Company during the period ended 31st March 2011 are given below.

Remuneration paid to Directors during the period ended 31st March 2011

NAME OF THE DIRECTOR	SALARY	PERQUISITES	CONTRIBUTION TO VARIOUS FUNDS	TOTAL
	(Rs.)	(Rs.)	(Rs.)	(Rs.)
-	-	-	-	-
-	-	-	-	-

F) GENERAL BODY MEETINGS

The last three Annual General Meetings were held as under:-

Year/Period Ended	Date of Meeting	Time
31 st March 2008	30/09/2008	11.00 A.M.
31 st March 2009	30/09/2009	11.00 A.M.
31 st March 2010	14/07/2011	03:30 P.M.

Postal ballot was conducted by the company for the approval of insertion of other object of new business of power project.

G) DISCLOSURES

- During the period, there were no transactions materially significant with Company's promoters, directors or management or subsidiaries or their relatives that may have potential conflict with the interests of the Company at large.
- Details of Non Compliance by the Company, penalties strictures imposed on the Company by Stock Exchanges or any statutory authority, on any matter related to capital markets, during the last three years – None.

H) MEANS OF COMMUNICATION.

Quarterly, Half Yearly and Yearly financial results are sent to the Stock Exchanges immediately after they are approved by the Board.

I) GENERAL INFORMATION FOR MEMBERS

- Annual General Meeting - The 30th Annual General Meeting of the Company will be held on 17/08/2011 at 3-.30 p.m. at Registered Office in Mumbai
- | | | |
|---------------------------------|---|-------------------------------|
| Financial Calendar | : | Last AGM held on 14/07/2011 |
| First Quarter Results Declared | : | Second Week of August, 2010 |
| Second Quarter Results Declared | : | Second Week of November, 2010 |
| Third Quarter Results Declared | : | Second Week of February, 2011 |
| Fourth Quarter Results Declared | : | Last Week of May, 2011 |

- (iii) Book Closure date : 01/08/2011 to 02/08/2011
- (iv) Dividend payment date : Not applicable
- (v) (i) Listing of Equity Shares : Bombay Stock Exchange
- (ii) Listing fees is duly paid to the Bombay stock exchange Limited as per listing agreement.
- (vi) (i) **Stock Code BSE CODE : 503663**
- (ii) **Demat ISIN Numbers in NSDL & CDSL INE 026L01014 for Equity Shares.**

Stock Market Data at BSE :

Month	High	Low	Close	No. of Shares
April 2010	Nil	Nil	Nil	Nil
May 2010	Nil	Nil	Nil	Nil
June 2010	Nil	Nil	Nil	Nil
July 2010	22.05	22.05	22.05	50
August 2010	Nil	Nil	Nil	Nil
September 2010	Nil	Nil	Nil	Nil
October 2010	22.45	22.45	22.45	50
November 2010	32.75	22.85	32.75	1350
December 2010	48.05	33.40	48.05	1400
January 2011	66.80	49.00	66.80	3000
February 2011	96.75	68.10	96.75	950
March 2011	148.90	98.65	148.90	1650

- vii) **REGD. OFFICE:**
E-109 Crystal Plaza, New Link Road,
Andheri (west), Mumbai 400053.

(viii) REGISTRAR & TRANSFER AGENTS AND SHARE TRANSFER SYSTEM

All documents, transfer deeds, demat requests and other communication in relation thereto should be addressed to the R & T Agents at its following address:

Sharex Dynamic India Private Limited,
Luthra Industrial Premises,
Unit No. 1, Safed Pool,
Andheri (E), Mumbai - 400 072
Tel : 022 28515606

Share transfers in physical form are processed within about 2 weeks from the date of receipt of the valid and completed documents.

- (ix) **INVESTOR RELATION OFFICER : Mr. Girraj Kishor Agrawal.**
- (x) **Share Transfer System as per Listing Agreement and Companies Act, 1956**

(xi) DISTRIBUTION OF SHAREHOLDING AS ON 31st March 2011

Shareholders			Shareholding	
No. of Shares	Nos.	%	Holding in Rs.	%
1-5000	12	14.81	17500	0.01
5001-10000	4	4.94	31000	0.03
10001-20000	2	2.47	21000	0.02
20001-30000	4	4.94	105000	0.09
30001-40000	Nil	Nil	Nil	Nil
40001-50000	1	1.23	50000	0.04
50001-100000	1	1.23	77500	0.06
100001- and above	57	70.37	121898000	99.75
Total	81	100.00	122200000	100.00

(xii) Shareholding pattern as on 31.03.2011

Category		No. of Shares held	Percentage of Shareholding
A	Promoter's Holding		
1	Promoters		
	- Indian Promoters	7455750	61.01
	- Foreign Promoters	-	-
2	Persons acting in concert	-	-
	Sub - Total	7455750	61.01
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	FII's	-	-
	Sub - Total	-	-
4	Others	-	-
a)	Private Corporate Bodies	1501700	12.29
b)	Indian Public	3262450	26.70
c)	NRI's/OCB's	0	0.00
d)	Any Other (Please specify) - Clearing Members	100	0.00
	Sub-Total	4764250	38.99
	Grand Total	12220000	100%

(xiii) DEMATERIALISATION OF SHARES.

As on 31st March 2011, **100%** of the Company's Shares representing **12220000** Share were held in dematerialized form and the balance **0** Shares were held in physical form.

(x) INVESTOR CORRESPONDENCE :

For Transfer / dematerialisation of shares, payment of dividend on shares, interest and redemption of debentures, and any other query relating to the shares and debenture of the company.

SHAREX DYNAMIC PRIVATE LIMITED,

Luthra Industrial Premises,

Unit No. 1, Safed Pool, Andheri (E), Mumbai – 400 072

Any other query**TILAK FINANCE LIMITED**

At Regd. Office : E-109 Crystal plaza, New link road, Andheri (west), Mumbai 400053.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORTS

Your Directors are pleased to present the Management Discussion and Analysis Report for the year ended 31st March, 2011.

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.

OVERVIEW

The operations of the company are centred in Finance Business and Share Trading. The company deals in Lending, Advancing and Depositing Money in Industrial and other Undertakings and Businesses and to dealing in shares, securities, movables, immovable properties, financiers and capitalists.

INDUSTRY STRUCTURE AND DEVELOPMENT:

The Indian economy has witnessed all round growth in year 2010-11 with increased investment Finance Business and Financial Market.

Of late, especially in the past few decades, there has been tremendous growth in the Finance Industries in India and the development thereof has been remarkable. The company has been conducting and dealing in Financing Activities since inception.

Coming to the finance industry where the company is also involved, major developments have taken place for the past few decades in view of the fact that plethora of finance companies have come into existence with various finance products and there has been tremendous finance growth due to foreign collaboration, foreign equity participation etc, under Finance Division, dealing in equity shares and stock is the main activity of the company.

OPPORTUNITIES AND THREATS :

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

1. Clients are more comfortable with uniform high quality and quick finance and security process across the enterprise.
2. The company since involved in the Finance business for a very long time there are good prospects for expanding further activities in this direction.
3. The company is also facing server competition from other financial companies.

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

1. Heightened competition
2. Increasing cost of Finance
3. Increasing Compliances

The company has taken following initiatives'

1. Every effort is being made to locate new client base to boost its finance business by providing Finance quickly and easily.
2. The company is endeavouring to penetrate into newer Financial Activities and market.

OUTLOOK

The company is mainly engaged in finance and related business.

The company is planning to expand and diversify the activities in this time to tap higher revenues.

RISK AND CONCERNS:

Due to stiff competitions in the finance fields where the company's activities are centred in, the overall margins are under pressure but maintainable with constant effort and good services.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

1. Company Compliance with all applicable statutes, policies, procedures, listing requirements and management guidelines.
2. All transaction are being accurately recorded and verified.
3. Adherence to applicable accounting standards and polices.

HUMAN RESOURCES/INDUSTRY RELATIONS:

- ✦ The company provided excellent working environment so that the individual staff can reach his/her full potential.
- ✦ The company is poised to take on the challenges and march towards accomplishing it's mission with success.
- ✦ The company maintained good Industrial/Business relation in market which enhanced the Creditworthiness of the Company.

CAUTIONARY STATEMENT

Statement in the Management Discussion and analysis describing the company's objectives exceptions or predications may be forwards looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those expressed in the statement. Several factors could make significant difference to the company's operation. These include climatic conditions and economic conditions affecting demand and supply, government regulations and taxation, natural calamities etc. over which the company dose not have any control.

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
TILAK FINANCE LIMITED.

1. We have examined the compliance of Corporate Governance by M/s. Tilak Finance Limited for the period ended on 31st March 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchanges.
2. The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.
4. We further 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 Pravin Chandak & Associates

Chartered Accountants

Sd/-

Pravin Chandak

Partner

M.No.049391

Place : Mumbai.
Date : 15/07/2011

AUDITORS REPORT

To
The Members
M/s Tilak Finance Limited

- 1) We have audited the attached Balance Sheet of **M/s Tilak Finance Limited** as at 31st March 2011, the Profit & Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) We conducted our audit in accordance with auditing standard generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial Statements are free of material misstatements. An audit includes examining, on test basis, evidence supporting the amounts and disclosure in the Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by the Management, as well as evaluating the overall Financial Statement presentation. We believe that our audit provides reasonable basis for our opinion.
- 3) As required by the Companies (Auditor's Report) Order, 2003, as amended, issued by Central Government of India in terms of sub section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said order.
- 4) Further to our comments in the Annexure referred to above, we state that
 - a) We have obtained all the information and explanation which, to the best of our knowledge and belief, were necessary for the purpose of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.
 - c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
 - d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub section (3C) of section 211 of the Companies Act, 1956.
 - e) On the basis of written representation received from the directors, as on March 31, 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2011 from being appointed as a Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give true and fair view in conformity with the accounting principles generally accepted in India.
 - (i) In the case of Balance Sheet, of the state of affairs of the company as at 31st March, 2011
 - (ii) In the case of the Profit & Loss Account, of the Profit for the year ended on that date, and
 - (iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date

For Pravin Chandak & Associates
Chartered Accountants
Sd/-
Pravin Chandak
Partner
M.No.049391

Place : Mumbai.
Date : 30/05/2011

**ANNEXURE TO THE AUDITOR'S REPORT ON THE ACCOUNTS FOR THE YEAR
ENDED 31ST MARCH, 2011**

Referred to in paragraph 3 of Auditor's Report of even date on the financial statements as at and for the year ended 31st March, 2011.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of audit, we state that:-

- 1) a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
b) We have been informed that, the fixed assets have been physically verified by the Management at reasonable intervals. In our opinion the frequency of verification is reasonable with regard to the size of the company and nature of assets. According to information and explanations given to us by the management, no material discrepancy was noticed on such verification.
c) During the year the company has not disposed off a substantial part of its fixed assets and accordingly it has no effect on the going concern of the company.
- 2) a) As informed to us, the inventories have been verified by the management with the supporting evidence during the year. In our opinion the frequency of verification is reasonable.
b) In our opinion, the procedures for physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
c) On the basis of our examination the records of inventory, we are of the opinion that Company is maintaining proper records of inventory. We are informed that no discrepancies were noticed on physical verification.
- 3) a) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
b) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
- 4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weaknesses in internal control.
- 5) According to the information and explanations given to us, we are of the opinion that the company has not entered into any contracts or arrangements referred to in section 301 of the Companies Act, 1956.
- 6) No deposits, within the meaning of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and rules framed thereunder have been accepted by the Company.
- 7) In our opinion and according to information and explanation given to us, the company has adequate internal audit system commensurate with size of the Company and nature of its business.
- 8) According to the information and explanations given to us the maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956 for any of the activities of the company.
- 9) a) The Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess and other material statutory dues applicable to

the company with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.

- b) According to the records of the Company, there are no dues of Income Tax, Sales Tax, Service Tax, Customs Duty, Wealth Tax, Excise Duty, cess which have not been deposited on account of any dispute.
- 10) The Company has no accumulated losses as at 31st March, 2011. The company has not incurred any cash losses during the financial year covered by our audit as well as during the immediately preceding financial year.
- 11) According to the records made available to us and information and explanations given to us by the Management, the Company has not taken any financial assistance from bank or financial institution. Accordingly clause 4(xi) of Companies (Auditor's Report) Order, 2003 is not applicable.
- 12) According to the information and explanation given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) In our opinion, the company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- 14) The Company has maintained proper records of the transactions and contracts for dealing or trading in shares, securities, debentures and other investments and timely entries have been made therein. All shares, securities, debentures and other investment have been held by the company, in its own name except to the extent of the exemption granted under section 49 of the Companies Act, 1956.
- 15) In our Opinion, and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from Banks or Financial Institutions during the year.
- 16) As per the information and records furnished before us, the Company has not accepted any term loans. According Clause 4(xvi) of Companies (Auditor's Report) Order, 2003 is not applicable.
- 17) According to the information and explanations given to us and on an overall examination of the cash flow statements and balance sheet of the company, in our opinion, the funds raised on short-term basis have, prima facie, not been used for long-term investment.
- 18) During the period the company has made allotment of shares on preferential basis as per SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. As per explanation and information provided to us price at which allotment is made is not prejudicial to the interest of the company.
- 19) During the financial year, company had not issued any debenture. Accordingly Clause 4(xviii) of Companies (Auditor's Report) Order, 2003 is not applicable.
- 20) The Company has not raised any money by way of public issue during the year under audit. Accordingly Clause 4(xx) of Companies (Auditor's Report) Order, 2003 is not applicable.
- 21) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

For Pravin Chandak & Associates

Chartered Accountants

Sd/-

Pravin Chandak

Partner

M.No.049391

Place : Mumbai.

Date : 30/07/2011

CEO / CFO CERTIFICATION

The Board of Directors,
Tilak Finance Limited
E/109, Crystal Plaza,
New Link Road, Andheri (west),
Mumbai : 400053.

We hereby certify that:

1. We have reviewed financial statements and the cash flow statement for the year ended 31st March 2011 and that to the best of our knowledge and belief;
 - i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
 - ii) 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.
2. No transaction is entered into by the company during the year which is fraudulent, illegal or violative of the Company's Code of Conduct.
3. 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.
4. We have indicated to the auditors and the Audit Committee:
 - a. Significant changes in internal control over financial reporting during the year.
 - b. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - c. 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.

Mumbai,
Date: 15/07/2011

For Tilak Finance Limited
Sd/-
Girraj Kishor Agrawal
Director/CEO

COMPLIANCE CERTIFICATE

To
The Members of
Tilak Finance Limited

It is hereby certified and examined that as provided in Clause 49 I (D) of the listing agreement with the stock exchanges, the Board members and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct of the Company for the financial year ended 31st March 2011.

For Tilak Finance Limited

Registered Office:
E-109, Crystal Plaza,
New Link Road, Andheri (W)
Mumbai - 400 053

Sd/-
Girraj Agrawal
Director

Place : Mumbai
Date : 15/07/2011

BALANCE SHEET AS ON 31.03.2011

PARTICULARS	SCH. NO.	AS ON 31.03.2011	AS ON 31.03.2010
SOURCES OF FUNDS :			
SHAREHOLDER'S FUND :			
Share Capital	I	122,200,000	2,450,000
Reserves & Surplus	II	56,711,735	10,762,830
DEFERRED TAX LIABILITY		1,744,937	883,256
TOTAL		180,656,672	14,096,086
APPLICATION OF FUNDS :			
FIXED ASSETS	III		
Gross Block		10,829,621	10,801,631
Less: Accumulated Depreciation		2,134,329	382,055
Net Block		8,695,292	10,419,576
CURRENT ASSETS LOANS, & ADVANCES :			
Stock in trade	IV	24,051,760	-
Cash & Bank Balance	V	1,083,613	2,763,136
Loans & Advances	VI	147,676,599	5,963,749
		172,811,972	8,726,885
LESS : CURRENT LIABILITIES & PROVISIONS	VII	850,592	5,050,375
NET CURRENT ASSETS		171,961,380	3,676,510
TOTAL		180,656,672	14,096,086
NOTES FORMING PART OF ACCOUNTS AS PER OUR REPORT OF EVEN DATE	XII		

For **PRAVIN CHANDAK & ASSOCIATES**
Chartered Accountants
Sd/-
PRAVIN CHANDAK
Partner
M. No. 049391

For **AND ON BEHALF OF THE BOARD**

Sd/-
Girraj Kishor Agrawal
Director
Sd/-
Tanu Agrawal
Director

Place : Mumbai
Date : 30-05-2011

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2011

PARTICULARS	SCH. NO.	YEAR ENDED 31.03.2011	YEAR ENDED 31.03.2010
INCOME :			
Income From Operation	VIII	75,886,718	24,556,287
Other Income	IX	3,138,867	-
		79,025,586	24,556,287
EXPENDITURE :			
Cost of Goods sold	X	69,702,504	-
Operating & Other Expenses	XI	5,562,969	7,078,268
Depreciation		1,752,274	382,055
Loss on sale of shares		-	393,341
		77,017,747	7,853,664
Net Profit before Tax		2,007,838	16,702,623
Less : Provision For Tax			
Current Tax		372,253	4,707,034
Deferred Tax		861,681	883,256
Net Profit After Tax		773,904	11,112,333
Add : Profit B/fd. From earlier years		10,762,831	(349,502)
Less: Appropriation			
Utilised for issue of Bonus shares		9,800,000	-
Balance Carried to Balance Sheet		1,736,735	10,762,831
Basic/Diluted Earning Per Share		0.09	9.07

NOTES FORMING PART OF ACCOUNTS

XII

AS PER OUR REPORT OF EVEN DATEFor **PRAVIN CHANDAK & ASSOCIATES**

Chartered Accountants

Sd/-

PRAVIN CHANDAK

Partner

M. No. 049391

Place : Mumbai

Date : 30-05-2011

For **AND ON BEHALF OF THE BOARD**Sd/-
Girraj Kishor Agrawal
DirectorSd/-
Tanu Agrawal
Director

SCHEDULES FORMING PART OF BALANCE SHEET

PARTICULARS	AS ON 31.03.2011	AS ON 31.03.2010
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SCHEDULE - I :

SHARE CAPITAL :

AUTHORISED :

1,22,50,000 Equity Shares of Rs. 10/- each (P.Y. 2,50,000 Equity Shares of Rs. 10/- each)	122,500,000	2,500,000
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ISSUED, SUBSCRIBED & PAID UP :

1,22,20,000 Equity Shares of Rs. 10/- each fully paid up (P.Y. 2,45,000 Equity Shares of Rs. 10/- each fully paid up)	122,200,000	2,450,000
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(Out of above 9,80,000 Equity Shares Of Rs.10 each issued as bonus during the Financial year 2010-11.)

TOTAL RS.	122,200,000	2,450,000
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SCHEDULE - II :

RESERVES & SURPLUS

Share Premium	54,975,000	-
Profit & Loss Account	1,736,735	10,762,830

TOTAL RS.	56,711,735	10,762,830
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SCHEDULE - III:

FIXED ASSETS

ASSETS	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	AS ON 01/04/2010	ADD/(DED.) DURING THE PERIOD	AS ON 31/03/2010	UPTO 31/03/2010	ADD/(DED.) DURING THE PERIOD	UPTO 31/03/2011	AS ON 31/03/2011	AS ON 31/03/2010	
Computer	10,801,631	-	10,801,631	382,055	1,750,944	-	2,132,999	8,668,632	10,419,576
Mobile Phones	-	27,990	27,990	-	1,330	-	1,330	26,660	-
TOTAL Rs.	10,801,631	27,990	10,829,621	382,055	1,752,274	-	2,134,329	8,695,292	10,419,576
PREVIOUS YEAR	-	10,801,631	10,801,631	-	382,055	-	382,055	10,419,576	-

SCHEDULE - IV :

STOCK IN TRADE

(As taken, valued & certified by management)

Shares	24,051,760	-
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TOTAL RS.	24,051,760	-
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SCHEDULE - V :

CASH & BANK BALANCES :

Cash in Hand	768,260	522,554
Balance in Current Accounts with Scheduled Banks	315,352	2,240,582

TOTAL RS.	1,083,613	2,763,136
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SCHEDULE - VI :

LOANS & ADVANCES

Loans (Unsecured, considered good)	145,376,889	1,064,526
Income Tax Refund	1,610,335	4,899,223
Deposit	689,375	-

TOTAL RS.	147,676,599	5,963,749
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SCHEDULES FORMING PART OF BALANCE SHEET

PARTICULARS	AS ON 31.03.2011	AS ON 31.03.2010
SCHEDULE - VII :		
CURRENT LIABILITIES & PROVISIONS :		
Sundry Creditors for expenses	850,592	63,070
Other Liabilities	-	4,987,305
TOTAL RS.	850,592	5,050,375

SCHEDULES FORMING PART OF PROFIT & LOSS ACCOUNT

PARTICULARS	AS ON 31.03.2011	AS ON 31.03.2010
SCHEDULE -VIII :		
INCOME FROM OPERATION		
Sale of Shares	60,893,212	-
Consulting Services	10,740,000	24,550,000
Interest on Loan	4,253,507	6,287
	75,886,718	24,556,287
SCHEDULE - IX :		
OTHER INCOME		
Income From Speculation Business	163,331	-
Interest on Fixed Deposits (TDS Rs. 2,97,553/-)	2,975,536	-
	3,138,867	-
SCHEDULE - X :		
COST OF GOODS SOLD :		
Opening Stock	-	-
Add : Purchases	93,754,264	-
Less : Closing Stock	24,051,760	-
	69,702,504	-
SCHEDULE - XI :		
OPERATING & OTHER EXPENSES :		
Salary	3,891,975	4,387,415
Consulting Fees	-	1,000,000
Software Development Charges	-	604,400
Demat & Share Transfer Charges	17,470	25,200
Telephone Expenses	21,668	15,675
Rent Rates & Taxes	115,000	83,000
Printing & Stationery	16,805	17,980
Listing Fees	105,000	414,306
Advertisement Expenses	29,614	9,595
Auditors Remuneration		
As Auditor	11,030	11,030
For Other services	5,000	-
Bank Charges	7,198	-
Computer Expenses	37,211	-
Custodian Fees	67,500	-
Conveyance Expenses	24,281	32,560
Legal & Professional Fees	64,825	406,802
Office Expenses	12,340	20,495
ROC Expenses	904,000	-
STT & Other charges on share trading	105,476	-
Staff Welfare	19,518	16,890
Postage & Courier	13,257	25,720
Electricity charges	85,577	3,797
Miscellaneous Expenses	8,225	3,403
TOTAL RS.	5,562,969	7,078,268

ACCOUNTING POLICIES AND NOTES FORMING PART OF THE ACCOUNTS

SCHEDULE XII:

1. SIGNIFICANT ACCOUNTING POLICES :

(a) Basis of Preparation of Financial Statements

The financial statements have been prepared on a going concern basis and on accrual basis, under the historical cost convention and in accordance with the generally accepted accounting principles, the accounting standards issued by the Institute of Chartered Accountants of India and provisions of the Companies Act, 1956, which have been adopted consistently by the Company.

(b) Use of Estimates

The preparation of financial statements requires estimates and assumption to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

(c) Revenue recognition

Revenue from sale of goods is recognized when significant risk and rewards of ownership are transferred to the customers. Sales are net of sales return and trade discount.

(d) Fixed Assets

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use

(e) Depreciation

Depreciation has been provided on straight Line Method at the rates and in the manner prescribed in Schedule XIV of the Companies Act, 1956 on pro-rata basis from the date Assets have been put to use.

(f) Investments

Long term investments are stated at cost, Provision for diminution in the value of long term investments is made only if such decline is of a permanent nature.

(g) Inventories

Inventories are valued at cost or net realizable value whichever is lower.

(h) Retirement Benefits

Provision for retirement benefits to employees is 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.

(i) Taxation

Deferred tax for the year is recognized on timing difference, being the difference between taxable incomes and accounting income that originates in one period and is capable of reversal in one or more subsequent periods.

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is a reasonable certainty that the assets can be realized in future, however when there is unabsorbed depreciation or carry forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets.

(j) Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the Notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

NOTES TO ACCOUNTS :

1. Additional information pursuant to part II of Schedule VI of the Companies Act,1956 :

	2010-2011 (Rs.)	2009-10 (Rs.)
i) Payment to Directors :		
Directors Remuneration	NIL	NIL
ii) Payment to Auditors :		
Statutory Audit Fees	10,000	10,000
Other Services	5,000	NIL
Service Tax	1,030	1,030
Total		
iii) Earning in Foreign Exchange:	NIL	NIL
iv) Expenditure in Foreign Exchange:	NIL	NIL
v) Quantitative detail in respect of trading goods is enclosed in ANNEXURE "A".		
vi) Other information are either NIL or Not Applicable.		

2. Contingent Liabilities not provided for :

	2010-2011 (Rs.)	2009-2010 (Rs.)
Claims against the company not acknowledged as debts	NIL	NIL
Others	NIL	NIL

- Balances of Loans and Advances, Sundry Creditors & Others are subject to confirmation and reconciliation and consequential adjustments, if any.
- In the opinion of the Board & to the best of their knowledge & belief the value of realisation of current assets, loans & advances in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet & the provisions for all the loans & determined liabilities is adequate and not in excess of the amount.
- The Company has not received the required information from suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006. Hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/ payable as required under the said Act have not been made.

6. The computation of Earning Per Share :

	2010-2011 (Rs.)	2009-2010 (Rs.)
Profit Attributable to Equity Share Holders (After Tax)	773,904	1,11,12,333
Weighted Average Number of Equity Share (Nos.)	87,21,530	12,25,000
Basic/ Diluted Earning Per Share	0.09	9.07
Face Value per Equity Share	10	10

7. Major Components of Deferred Tax Assets and Liabilities :

	2010-2011 (Rs.)	2009-2010 (Rs.)
Deferred Tax Liability on account of Depreciation	17,44,937	8,83,256

8. According to a technical assessment carried out by the Company, there is no impairment in the carrying cost of cash generating units of the Company in terms of accounting standards-28 issued by the Institute of Chartered Accountants of India.

9. Related Party Transaction :

Key Management Person

Girraj Kishor Agrawal
Tanu Agrawal

Transaction with Related parties:

NIL

10. Balance Sheet Abstract & Company's general business profiles as required by part IV of Schedule VI to the Companies Act, 1956 is enclosed in ANNEXURE "B".
11. **Segment Information:** As there is no business except the main field of the company where segmental reporting is required.
12. Previous year's figures have been regrouped, rearranged and reclassified wherever necessary to conform to the current's classification/ presentation.

AS PER OUR REPORT OF EVEN DATE

For **PRAVIN CHANDAK & ASSOCIATES**

Chartered Accountants

Sd/-

PRAVIN CHANDAK

Partner

M. No. 049391

For **AND ON BEHALF OF THE BOARD**

Sd/-

Girraj Kishor Agrawal

Director

Sd/-

Tanu Agrawal

Director

Place : Mumbai

Date : 30-05-2011

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

PARTICULARS	YEAR ENDED 31.03.2011	YEAR ENDED 31.03.2010
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit Before Tax & extraordinary items	2,007,838	16,702,623
Add / (Less) Non cash items and items considered separately:-		
Depreciation	1,752,274	382,055
Loss on sale of shares	-	393,341
Operating Profit before Working Capital Changes	3,760,112	17,478,019
Adjustment For working capital changes:-		
(Increase) / Decrease in Trade & Other Receivable	(145,001,737)	(5,739,972)
(Increase) / Decrease in Inventories	(24,051,760)	-
Increase / (Decrease) in Trade & Other Payable	509,954	4,810,161
Cash generated from operations	(164,783,431)	16,548,208
Income tax refund/(paid)	(1,793,103)	(4,707,034)
Net Cash Flow From Operating Activities (A)	(166,576,534)	11,841,174
B. CASH FLOW FROM INVESTING ACTIVITIES		
Sale of Investment	-	2,478,211
Purchase of Investment	-	(420,212)
Purchase of Fixed Asset	(27,990)	(10,801,631)
Net Cash (Used In)/Generated From Investment Activities (B)	(27,990)	(8,743,632)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Shares Issued	164,925,000	-
Loans Borrowed /(Paid)	-	(375,912)
Net Cash (Used In)/Generated From Financing Activities (C)	164,925,000	(375,912)
Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)	(1,679,523)	2,721,630
Cash and Cash Equivalents at the Beginning of the year	2,763,136	41,506
Cash and Cash Equivalents at the End of the year	1,083,613	2,763,136

Notes:-

- (1) The Above cash flow statement has been prepared by using the indirect methods as per Accounting Standard-3, issued by Institute of Chartered Accountants of India.
- (2) The previous figure have been regrouped/ rearranged wherever necessary to confirm the current year' s classification.

AS PER OUR REPORT OF EVEN DATE

For **PRAVIN CHANDAK & ASSOCIATES**
Chartered Accountants
Sd/-
PRAVIN CHANDAK
Partner
M. No. 049391

For **AND ON BEHALF OF THE BOARD**

Sd/-
Girraj Kishor Agrawal
Director
Sd/-
Tanu Agrawal
Director

Place : Mumbai
Date : 30-05-2011

Balance Sheet Abstract And Company's General Business Profile

I. Registration Details

i)	Registration No.	:	019072
ii)	State Code	:	11
iii)	Balance Sheet Date	:	31.03.11

II Capital Raised During the Year (Rs.)

i)	Public Issue	:	NIL
ii)	Right Issue	:	NIL
iii)	Bonus Issue	:	9,800,000
iv)	Private Placement	:	NIL
v)	Preferential allotment	:	109,950,000

III. Position of Mobilisation and Development of Fund (Rs.)

i)	Total Liabilities	:	180,656,672
ii)	Total Assets	:	180,656,672

Sources of Funds

i)	Paid up Capitals	:	122,200,000
ii)	Reserve & Surplus	:	56,711,735
iii)	Secured Loans	:	-
iv)	Unsecured Loans	:	-
v)	Deferred Tax Liability	:	1,744,937.00

Applications of Funds

i)	Net Fixed Assets	:	8,695,292
ii)	Deferred Tax Asset	:	-
iii)	Investments	:	-
iv)	Net Current Assets	:	171,961,380

IV. Performance of Company (Rs.)

i)	Turnover	:	79,025,586
ii)	Total Expenditure	:	77,017,747
iii)	Profit before tax	:	2,007,838
iv)	Profit after tax	:	773,904
v)	Basic/Diluted Earning Per Share	:	0.09
vi)	Dividend Rate	:	0%

V. Generic Names of Three principle Products / Services of Company

Product	Code No.
i) Shares & Securities	Nil

For AND ON BEHALF OF THE BOARD

Sd/-	Sd/-
Girraj Kishor Agrawal	Tanu Agrawal
Director	Director

Place : Mumbai
Date : 30-05-2011

ANNEXURE "A"

QUANTITATIVE INFORMATION OF TRADING GOODS FOR YEAR ENDED 31.03.11

Particulars	Opening Balance		Purchase		Sales		Closing Balance	
			Quantity	Value	Quantity	Value	Quantity	Value
Quoted Shares			392634	24776783.00	358518	23748212.00	34116	1280280.00
Unquoted Shares			914,463	68,977,480	415,462	37,145,000	435,001	22,771,480
Grand Total			1,307,097	93,754,263	773,980	60,893,212	469,117	24,051,760

TILAK FINANCE LIMITED

Regd. Off: E/109, Crystal Plaza, Andheri (west), Mumbai : 400053.

PROXY FORM

Reg. Folio NO _____ No. of Shares: _____

D.P. I. D* _____ Client ID* _____

I / we _____ of
_____ Being a shareholder / shareholders of Tilak Finance Limited

Hereby appoint _____ or failing
him/her _____ as my/ our proxy to attend and vote for me / us
and on my/ our behalf at the 30th Annual General meeting of the Company to be held on 17/08/2011 at 3:30
P.M. and at any adjournment thereof.

Signed this _____ day of _____ 2011

Signature of the shareholder _____

Affix Re. 1/- Revenue Stamp

Note: The Proxy form duly completed and signed must be deposited at the Registered office of the company
not less than 48 hours before the time for holding the Meeting

*Applicable for shares held in electronic form.

TILAK FINANCE LIMITED

Regd. Off: E/109, Crystal Plaza, Andheri (west), Mumbai : 400053.

ATTENDANCE SLIP 30th Annual General Meeting

Reg. Folio No. _____

No. of shares held _____

Name of the Attending Member _____

D.P.I.D* _____ Client I.D.* _____

I/We hereby record my/our presence at the 30th Annual General Meeting of the company at Regd. Off: E/109,
Crystal Plaza, Andheri (West), Mumbai: 400053.

Signature of the shareholder(s), / Proxy/ Representative _____

Note:

- 1) Member / proxy holder wishing to attend the meeting must bring the attendance slip to the meeting and hand over the same duly signed at the entrance.
- 2) Member/Proxy holder desiring to attend the meeting should bring his copy of the Annual Report for reference at the meeting.

BOOK POST

If undelivered please return to:

TILAK FINANCE LIMITED

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