

# **LIBORD FINANCE LIMITED**

(FORMERLY : LIBORD INFOTECH LIMITED)



## **20th Annual Report 2013-2014**

**REGISTERED OFFICE**

104, M.K.Bhavan,  
300, Shahid Bhagat Singh Road,  
Fort, Mumbai 400 001.  
Tel.: 2265 8108 / 9 /10  
Fax : 22 66 2520  
Website : www.libord .com

**AUDITOR**  
**AMAR BAFNA & ASSOCIATES**  
CHARTERED ACCOUNTANTS

**DIRECTORS**

Dr. (Mrs.) VANDNA LALIT DANGI  
Mr. LALIT KUMAR DANGI  
Mr. V. H. PANDYA  
Mr. NAWAL AGRAWAL  
Mr. ROMIL Y. CHOKSEY

**REGISTRARS & SHARE TRANSFER AGENTS**  
**SHAREX DYNAMIC (INDIA) PVT. LTD.**

UNIT NO. 1, LUTHRA INDUSTRIAL PREMISES,  
SAFED POOL, ANDHERI KURAL ROAD,  
ANDHERI (EAST), MUMBAI 400 072  
TEL. : 2851 5606 / 5644  
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**NOTICE**

Notice is hereby given that the 20th Annual General Meeting of the Members of Libord Finance Ltd. will be held on Friday 26<sup>th</sup> September, 2014 at 10.00 a.m. at 104, M.K. Bhavan, 300 Shahid Bhagat Singh Road, Fort, Mumbai - 400 001, to transact the following business:

**ORDINARY BUSINESS :**

1. To receive, consider, approve and adopt the Audited Balance Sheet of the Company as at 31st March, 2014 and Profit and Loss account for the year ended on that date together with the Directors' Report and the Auditors' Report thereon.
2. To appoint a director in place of Mr. V.H. Pandya who retires by rotation and being eligible, offers himself for reappointment
3. To appoint a director in place of Mr. Lalit Kumar Dangi who retires by rotation and being eligible, offers himself for reappointment.
4. To appoint the Auditors and fix their remuneration.

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

"RESOLVED THAT pursuant to provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditor) Rules, 2014 and other applicable rules, if any (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. Amar Bafna & Associates, Chartered Accountants (Registration Number 114854W), be and are hereby appointed as Statutory Auditors of the Company, to hold office from the conclusion of this 20th Annual General Meeting (AGM) till the conclusion of the 21st AGM of the Company to be held in the year 2015 at such remuneration plus service tax, out-of-pocket, travelling and other expenses etc., and to authorise the Board of Directors of the Company to fix such remuneration as may be recommended by the Audit Committee, as agreed upon between the said Auditors and the Board of Directors of the Company."

**SPECIAL BUSINESS :**

5. To appoint Mr. Romil Y. Choksey as an Independent Director.

To consider and if thought fit to pass with or without modification the following as an ordinary resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Romil Y. Choksey (DIN:6635204), who was appointed as an Additional Director pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company and who 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 160 of the Companies Act, 2013 from a Member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a period of 5 (five) years with effect from 26th September, 2014, not liable to retire by rotation."

Place : Mumbai  
Date : 26.05.2014

For & on Behalf of the Board

Registered office :  
104- M. K. Bhawan  
300, Shahid Bhagat Singh Road,  
Fort, Mumbai - 400 001.

Dr. (Mrs.) Vandna Lalit Dangi  
Managing Director

**NOTE :-**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.
2. Instruments of proxies in order to be effective must be deposited with the Company at its Registered Office not less than 48 hours before the commencement of the meeting.
3. Explanatory statement pursuant to Section 102 (1) of the Companies Act, 2013 relating to Special Business with respect to item no 5 is given below and forms part of the Notice.

4. The register of members of the Company and the Shares transfer books will remain closed from Wednesday, 24th September, 2014 to Thursday, 25th September, 2014 (both days inclusive).
5. Members are advised to avail themselves of nomination facility as per the Section 72 of the Companies Act, 2013 for which Nomination Form can be availed from the RTA.
6. Corporate Members are requested to send a duly certified copy of the Board Resolution / Power of Attorney authorizing their representatives for voting purpose and to attend at the Annual General Meeting (AGM).
7. The Ministry of Corporate Affairs, Government of India has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and has issued circulars stating that service of notice / documents including Annual Report can be sent by e-mail to its Members. To support this Green Initiative of the Government in full measure, Members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their e-mail addresses by submitting the e-mail Registrations Form attached with this Annual Report.
8. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS)/ National Electronic Fund Transfer (NEFT), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's RTA, to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to RTA.
9. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or RTA of the Company for assistance in this regard.
10. Members holding shares in physical form in identical order of names in more than one folio are requested to send to the Company or RTA the details of such folios together with the share certificates for consolidating their holding in one folio. A consolidated share certificate will be returned to such Members after making requisite changes thereon.
11. Members may kindly communicate immediately any change in their address mentioning PIN CODE to the Company's address.
12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company /RTA.

**13. Instructions about Voting :**

The Members are requested to opt for one mode of voting, i.e. either through e-voting or postal ballot. If a Member casts votes by both modes, then voting done through a valid e-Voting shall prevail and physical ballot form voting of that Member shall be treated as invalid. Please refer the following detailed instructions for both modes of voting.

**A) Voting through electronic means:**

- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is providing Members facility to exercise their right to vote at the Postal Ballot by electronic means through e-Voting Services provided by Central Depository Services (India) Limited (CDSL): The instructions for e-voting are as under:
  - (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - (ii) Click on "Shareholders" tab.
  - (iii) Select the "LIBORD FINANCE LIMITED" from the drop down menu and click on "SUBMIT"
  - (iv) Enter your User ID -
    - (a) For CDSL: 16 digits beneficiary ID,
    - (b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
    - (c) Members holding shares in Physical Form should enter Folio Number registered with the Company.

- (v) Next enter the image Verification as displayed and click on login.
- (vi) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used. If you are a first time user follow the steps given below.
- (vii) If you are a first time user follow the steps given below:

|                       | <b>For Members holding shares in Demat Form and Physical Form</b>   |
|-----------------------|---|
| PAN                   | Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).   |
|                       | <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.</li> </ul>   |
|                       | <ul style="list-style-type: none"> <li>In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</li> </ul>   |
| DOB                   | Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.   |
| DIVIDEND BANK DETAILS | Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter <b>the number of shares held by you as on the cut off date</b> in the <b>Dividend Bank details field</b>.</li> </ul> |

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, Members holding shares in demat form will now reach "Set Password" menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that Company opts for e-voting through CDSL platform.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the relevant EVSN for Libord Finance Limited.
- (xii) On the voting page, you will see "Resolution Description" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and Image Verification Code click on Forgot Password & enter the details as prompted by the system.
- (xviii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. A scanned copy of the Registration Form bearing the stamp and sign of the entity should be e-mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the Scrutinizer to verify the same.

- II. The voting period begins on 24.09.2014 (9.00 AM) and ends on 24.09.2014 (5.00 PM). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as of 22.08.2014 (i.e., the cut-off date) may cast their vote electronically.

The e-voting module shall be disabled by CDSL for voting thereafter.

- III. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help Section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or [investorrelations@libord.com](mailto:investorrelations@libord.com)
- IV. The voting rights of shareholders shall be in proportion to the shares held by them in the paid up equity share capital of the Company as on 22.08.2014.
- V. Mr. Mehul Chhajer, Practicing Company Secretary (Membership No: A36517) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VI. The Scrutinizer shall within one working day from the conclusion of the e-voting period unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman/Managing Director of the Company.

**B) Voting by using the Postal Ballot Form:**

- I. A Ballot Form is provided (enclosed separately) for the benefit of Members who do not have access to e-voting facility, to enable them to send their assent or dissent by post.
- II. Please complete and sign the Ballot Form (no other form or photocopy thereof is permitted) and send it so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr. Mehul Chhajer, Practicing Company Secretary, not later than the close of working hours (1700 hours) on 24th September, 2014. For this purpose, a self-addressed stamped "Business Reply Inland Letter" ("BR Letter") is enclosed. The BR Letter bears the name and address of the Registered Office of the Company, and is to the attention of the Scrutinizer. However, BR Letters containing the Ballot Form(s), if deposited in person or sent by courier or registered / speed post at the expenses of the Member, will also be accepted.
- III. The Form should be signed by the Member as per the specimen signature registered with the Company / Depository Participants. In case of joint holding, the Form should be completed and signed by the first named Member and in his/ her absence, by the next named joint holder. There will be one Form for every Folio/ Client ID irrespective of the number of joint holders. A Power of Attorney (POA) holder may vote on behalf of a Member, mentioning the registration number of the POA or enclosing an attested copy of the POA. Exercise of vote is not permitted through proxy.
- IV. For shares held by Companies, Bodies Corporate, Trusts, Societies, etc. the duly completed Form should be accompanied by a certified true copy of the Board Resolution/ Authorization together with attested specimen signature(s) of the duly authorized signatory(ies).
- V. Votes should be cast in case of each resolution, either in favour or against by putting the tick ( ✓ ) mark in the column provided for assent/ dissent. Members may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/AGAINST" taken together should not exceed the Members total shareholding. If the shareholder does not indicate either "FOR" or "AGAINST" in case of any resolution, it will be treated as "ABSTAIN" for that resolution and the shares held will not be counted under either head.
- VI. The voting rights of the shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on 22.08.2014 ("Cut- off Date") as per the Register of Members of the Company and as informed to the Company by the Depositories in case of Beneficial Owners.
- VII. Duly completed Forms should reach the Scrutinizer not later than the close of working hours (1700 hours) on 24.09.2014. Ballot forms received after 24.09.2014 will be strictly treated as if the reply from the Members has not been received.
- VIII. A Member may request for a duplicate Ballot Form, if so required. However, the duly filled in and signed duplicate Form should reach the Scrutinizer not later than the date specified at Sl. No. VII above.
- IX. Unsigned, incomplete, improperly or incorrectly tick marked Ballot Forms will be rejected. A Form will also be rejected if it is received torn, defaced or mutilated to an extent which makes it difficult for the Scrutinizer to identify either the Member or the number of votes or as to whether the votes are in favour or against or if the signature cannot be verified.
- X. The Scrutinizer's decision on the validity of a Ballot will be final.

- XI. Members are requested not to send any other paper along with the Ballot Form in the enclosed self-addressed envelope as all such envelopes will be sent to the Scrutinizer and any other paper found in such envelope would be destroyed by him. They are also requested not to write anything on the Ballot Form except giving their assent or dissent and putting their signature.

**C) Other Instructions:**

- I. The Scrutinizer will collate the votes downloaded from the e-voting system and votes received through physical ballot, to declare the final result for each of the Resolutions forming part of the Annual General Meeting Notice.
- II. The results of the voting shall be declared on or after the Annual General Meeting of the Company. The Results declared, along with the Scrutinizer's Report, shall be placed on the Company's website [www.libord.com](http://www.libord.com) and on the website of CDSL within two (2) days of passing of the resolutions at the meeting and be communicated to the Stock Exchanges where the Company is listed, viz. BSE Ltd.

**Explanatory Statement**

Pursuant to the provisions of Section 161 and other applicable provisions of the Companies Act, 2013 and the Articles of Association of the Company, the Board of Directors of the Company appointed Mr. Romil Y. Choksey as an Additional Director of the Company with effect from 1.10.2013. In terms of said Section 161, Mr. Romil Y. Choksey (DIN 6635204) would hold office up to the date of ensuing Annual General Meeting.

The Company has received a notice in writing from a Member along with the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing the candidature of Mr. Romil Y. Choksey, for the office of Director of the Company.

Mr. Romil Y. Choksey is not disqualified from being appointed as a Director in terms of Section 164 and other applicable provisions of the Act and has given his consent to act as a Director.

Section 149 of the Act inter alia stipulates the criteria of independence should a Company propose to appoint an Independent Director on its Board. In this regard, the Company has received a declaration from Mr. Romil Y. Choksey that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. In the opinion of the Board, Mr. Romil Y. Choksey fulfils the conditions for appointment as an Independent Director as specified in the Act and Rules made thereunder and the Listing Agreement. Mr. Romil Y. Choksey is independent of the Management.

As per the said Section 149, an Independent Director can hold office for a term up to 5 (five) consecutive years on the Board of a Company and he shall not be included in the total number of Directors for retirement by rotation.

Brief resume of Mr. Romil Y. Choksey, nature of his expertise in specific functional areas and names of companies in which he holds Directorships and Memberships/Chairmanships of Board, Committees, shareholding and relationships between Directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of this Annual Report.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Romil Y. Choksey is appointed as an Independent Director.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

The terms and conditions of appointment of Mr. Romil Y. Choksey, pursuant to the provisions of Schedule IV of the Act, 2013 shall be open for inspection at the Registered Office of the Company by any Member during normal business hours on any working day of the Company.

The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

Save and except Mr. Romil Y. Choksey and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

## DIRECTORS' REPORT

To the Members,  
**Libord Finance Limited**

Your Directors have pleasure in presenting the 20th Annual Report along with the Audited Accounts of the Company for the year ended 31st March, 2014.

### FINANCIAL PERFORMANCE

A. Summary of the Consolidated Financial Performance of your company for the financial year ended 31.3.2014 is as under :

|  | 2013-2014<br>(Rs. in Lakhs) | 2012-2013<br>(Rs. in Lakhs) |
|--|-----------------------------|-----------------------------|
| Gross Income   | 169.91                      | 120.85                      |
| Gross Profit before depreciation & Provision for Taxation          | 66.96                       | 13.40                       |
| Depreciation   | 1.32                        | 1.35                        |
| Deferred Tax   | 0.07                        | 0.12                        |
| Provision for taxation   | 20.38                       | 3.50                        |
| Short provisions written back                                      | 0.08                        |                             |
| Profit after taxation (PAT)  | 45.10                       | 8.43                        |
| Balance brought forward from Previous Years                        | (52.84)                     | (63.21)                     |
| Provision for Gratuity written back                                | -                           | 1.94                        |
| Other provision  | 0.01                        | -                           |
| Provision for Diminutions in the value of Investments Written Back | 1.37                        | -                           |
| Balance carried to Balance sheet                                   | (6.38)                      | (52.84)                     |

B. A summary of the standalone financial performance of your Company for the financial year ended 31.3.2014, is as under :

|  | 2013-2014<br>(Rs. in Lakhs) | 2012-2013<br>(Rs. in Lakhs) |
|--|-----------------------------|-----------------------------|
| Gross Income   | 169.04                      | 120.85                      |
| Gross Profit before depreciation & Provision for Taxation          | 66.70                       | 13.40                       |
| Depreciation   | 1.32                        | 1.35                        |
| Deferred Tax   | 0.07                        | 0.12                        |
| Provision for taxation   | 20.31                       | 3.50                        |
| Short provisions written back                                      | 0.08                        |                             |
| Profit after taxation (PAT)  | 44.92                       | 8.43                        |
| Balance brought forward from Previous Years                        | (52.84)                     | (63.21)                     |
| Provision for Gratuity written back                                | -                           | 1.94                        |
| Provision for Diminutions in the value of Investments Written Back | 1.37                        | -                           |
| Balance carried to Balance sheet                                   | (6.55)                      | (52.84)                     |

### REVIEW OF OPERATIONS

The income from operation on consolidated basis during the year was Rs.169.91 Lakhs. The income from operation on standalone basis during the year was Rs.169.04 Lakhs (Previous Year 120.85 Lakhs)

### FIXED DEPOSITS

Your Company has not accepted any deposits from the public during the year.

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

Your Company has no activities relating to conservation of energy or technology absorption. There were no earnings or outgo in foreign exchange for the period under review.

### PERSONNEL

No employee of the Company was drawing salary in excess of the limits specified under section 217 (2A) of the Companies Act, 1956 read with the Company's (Particular of Employees) Rules, 1975.

### DIRECTORS

In accordance with the provisions of the Companies Act, 2013 Mr. Lalit Kumar Dangi and Mr. V.H. Pandya, Directors of the Company will be retiring by rotation at the ensuing Annual General Meeting and are eligible for re-appointment.

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Romil Y. Choksey was appointed as an Additional Director designated as an Independent Director with effect from 1st October, 2013 and he shall hold office up to the date of ensuing Annual General Meeting. The Company has received requisite notice in writing from a Member proposing Mr. Choksey for appointment as an Independent Director. As per the provisions of Section 149 of the Act, which has come into force with effect from 1st April, 2014, an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company and is not liable to retire by rotation.

### CORPORATE GOVERNANCE

A separate Section on Corporate Governance and a Certificate from the Auditors of the Company regarding Compliance of Conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange forms part of this Annual Report.

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate Section forming part of this Annual Report.

### 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:

- (i) That in the preparation of the accounts for the financial year ended 31st March, 2014, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 or loss of the Company for the year under review.
- (iii) That the Directors have taken proper and sufficient care of 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.
- (iv) That the Directors have prepared the accounts for the financial year ended 31st March, 2014 on a going concern basis.

### REPORT ON AUDIT COMMITTEE

- a) Terms of Reference  
To oversee the Company's financial reporting process and disclosure of its financial information, to recommend the appointment of Statutory Auditors and fixation of the audit fees, to review and discuss with the Auditors about internal control systems, scope of audit including observations of the auditors on adequacy of internal control systems, major accounting policies & practices, adopting accounting standards and complying various requirements concerning financial statements, if any, to review the Company's half-yearly and annual financial statements before submission to the Board of Directors.

During the year four Audit Committee meetings were held on 30.05.2013, 29.07.2013, 28.10.2013 & 24.01.2014. The Minutes of the Audit Committee are circulated to the Board, discussed and taken note of.

- b) Composition

| Name of Member        | Status   | No. of Meeting Attended |
|-----------------------|----------|-------------------------|
| Mr. V. H. Pandya      | Chairman | 4                       |
| Mr. Lalit Kumar Dangi | Member   | 4                       |
| Mr. Nawal Agrawal     | Member   | 2                       |
| Mr. Romil Y. Choksey  | Member   | 2                       |

### AUDITORS

At the Annual General Meeting, Members will be required to appoint Auditors for the next term. M/s. Amar Bafna & Associates, Chartered Accountants, Mumbai, the existing Auditors have furnished a certificate, confirming that if re-appointed, their re-appointment will be in accordance with Section 139 read with Section 141 of the Companies Act, 2013. The Members are requested to consider their re-appointment as Auditors of the Company for the next term of one year, and authorize the Board of Directors to fix their remuneration.

### ACKNOWLEDGEMENTS

Your Directors place on record their appreciation for the valuable contribution made by the staff members of the company.

Your Directors wish to place on record their appreciation for the active support given by Banks, Investors, Shareholders, Brokers, Employees and Customers.

For and on Behalf of the Board

Place: Mumbai  
Date: 26.05.2014

**Dr. (Mrs.) Vandna Lalit Dangi**  
Managing Director



## CORPORATE GOVERNANCE REPORT – 2013 – 14

Libord Finance Ltd. believes in good Corporate Governance, which results in corporate excellence and attaining maximum level of transparency, disclosures, accountability and equity in all its interaction with its Shareholders. Your Company continued to recognize the importance of Corporate Governance to ensure fairness to the Shareholders. Corporate Governance envisages disclosures on various facets of Company's operations to achieve corporate excellence. The Company continued to share with you from time to time various information through public notices, press releases and through the Annual Reports. In addition, we give below the information on areas covered under Corporate Governance.

- I In terms of the Company's Corporate Governance Policy, all statutory and other significant and material information are placed before the Board.

As on 31<sup>st</sup> March 2014, the Board of Directors of your Company consisted of five directors.

- (a) The Composition of Board of Directors as at 31.03.2014 was as follows:

| Sr. No. | Name                    | No. of Outside Directorships held | No. of Membership in Committee of Board |
|---------|-------------------------|-----------------------------------|---|
| 1       | Mr. V. H. Pandya        | 1                                 | 1                                       |
| 2       | Mr. Lalit Kumar Dangi   | 7                                 | 3                                       |
| 3       | Mr. Nawal Agrawal       | 8                                 | 2                                       |
| 4       | Dr. (Mrs.) Vandna Dangi | 3                                 | 1                                       |
| 5       | Mr. Romil Y. Choksey    | -                                 | 1                                       |

- (b) Details of Board meeting held during the year 2013 – 14.

**Dates of meeting**

30.05.2013

29.07.2013

01.10.2013

28.10.2013

24.01.2014

- (c) Attendance record of the Directors at the Board meetings held during the financial year 2013-14 and the last AGM held on 26th September, 2013.

| Name                   | No. of Board meeting attended | Whether last Annual General meeting Attended |
|------------------------|-------------------------------|--|
| Mr. V. H. Pandya       | 5                             | NO   |
| Mr. Lalit Dangi        | 5                             | YES  |
| Mr. Nawal Agrawal      | 5                             | YES  |
| Dr. (Mrs.)Vandna Dangi | 5                             | YES  |
| Mr. Romil Y. Choksey   | 3                             | NO   |

**II. Audit Committee**

The Audit committee of the Company continued to perform the functions of the Audit Committee under the Companies Act as well as Audit Committee under the listing agreement. As on 31.03.2014 the Audit committee consisted of 3 Directors - Mr. Lalit Kumar Dangi , Mr. V H Pandya & Mr. Romil Y. Choksey. During the year the committee met four times on 30.05.2014, 29.07.2013, 28.10.2013 & 24.01.2014.

Audit committee attendance during 2013-14.

| Sr. No. | Name of the Audit Committee Member | No. of Meetings Attended |
|---------|------------------------------------|--------------------------|
| 1       | Mr. V. H. Pandya                   | 4                        |
| 2       | Mr. Lalit Kumar Dangi              | 4                        |
| 3       | Mr. Nawal Agrawal                  | 2                        |
| 4.      | Mr. Romil Y. Choksey               | 2                        |

**III. Remuneration Committee**

Remuneration committee is constituted. Mr. Lalit Kumar Dangi & Mr. Nawal Agrawal are the members of the committee. The committee met 2 times in the year.

**IV. Shareholders Committee / Transfer Committee**

- (a) Shareholders Committee consists of two Directors. Dr. (Mrs.) Vandna Lalit Dangi & Mr. Nawal Agrawal. The Committee looks into the redressal of shareholder's & investor's complaints like transfer of shares, non receipt of Annual Report etc. During the year the committee met 16 times.
- (b) Transfer Committee: Mr. Lalit Kumar Dangi Director monitors the activities of Registrar & transfer Agent & looks after the issues relating to shareholders. Share transfers / transmissions are approved by a sub - committee.
- (c) Dr. (Mrs.) Vandna Lalit Dangi is the Compliance Officer in terms of the Requirement of the Stock Exchange.
- (d) The Company has 12222 shareholders. The Company regularly interacts with the shareholders through letters and at the AGM wherein the activities of the Company, its performance, its future plans are provided for the information of the shareholders. The quarterly results are published in the newspapers.

- (e) The number of shares transferred during the last two years are as given below:

| Particulars                                    | 2013 - 2014 | 2012 - 2013 |
|--|-------------|-------------|
| Number of meetings for transfer of shares      | 16          | 19          |
| Average number of shares transferred per month | 1050        | 521         |
| Number of shares transferred                   | 12600       | 9900        |

- (f) Details of shares Demated / Remated during the last two years are given below:

| Particulars                          | NSDL    |         | CDSL    |         |
|--------------------------------------|---------|---------|---------|---------|
|                                      | 2013-14 | 2012-13 | 2013-14 | 2012-13 |
| Number of Demat transfers Approved   | 11400   | 42900   | 3500    | 14300   |
| Number of Sub Committee meeting held | 26      | 35      | 26      | 35      |
| Number of shares demated             | 11400   | 42900   | 3500    | 14300   |
| Number of Remat requests approved    | NIL     | NIL     | 1       | NIL     |
| Number of shares Rematted            | --      | --      | 200     | --      |

- (g) Details of Complaints received & redressed during the last two years are given below:

During the year 2013-14 & 2012-13, no investor's complaints were received. The Company has also been taking all steps to ensure that shareholders related activities are given due priority and matters are resolved at the earliest.

#### V. GENERAL BODY MEETING:

- (a) Details of location, time & date of last three AGMs are given below:

| Date       | Location          | Time     |
|------------|-------------------|----------|
| 29.09.2011 | Registered Office | 10.00 AM |
| 28.09.2012 | Corporate Office  | 10.00 AM |
| 26.09.2013 | Corporate Office  | 10.00 AM |

- (b) Key special business if any transacted during the last three years at the General Body Meeting. : - NIL -  
 (c) Although the notification prescribing the important items to be considered by postal ballot was issued by the Government of India, as far as the Company is concerned the necessity of passing such resolutions relating to business specified in the Rules did not arise.

#### VI. DISCLOSURES

- (a) There were no material transactions with directors or the management or their relatives having potential conflict with the interest of the Company at large.  
 (b) There have been no instances of non compliance by the Company, Penalty / Strictures / imposed on the Company by the Stock Exchange or SEBI or any Statutory Authorities on any matter related to Capital Market during the last three years.

#### VII. MEANS OF COMMUNICATION

Your directors take on record the unaudited Financial Results, in the Prescribed Form every quarter & half years and announce the results to the listed Stock Exchange. The same are published within 48 hours, in the newspapers namely the Free Press Journal and Navshakti. The Company also issues news releases on significant Corporate decisions and activities.

#### VIII. INFORMATION REQUIRED UNDER CLAUSE 49 IV (G) OF THE LISTING AGREEMENT WITH RESPECT TO THE DIRECTORS RETIRING BY ROTATION AND SEEKING REAPPOINTMENT/ DIRECTORS SOUGHT TO BE APPOINTED IS AS UNDER :

At the ensuing Annual General Meeting, Mr.V.H. Pandya, and Mr. Lalit Kumar Dangi, Directors of the Company, retire by rotation and being eligible, seek re-appointment. In compliance with provision of Section 149 read with Schedule IV of the Company Act, 2013, the appointment of Mr.Romil Y. Choksey as an Independent Director, for a term of five (5) years, is being place before the Shareholders for approval.

Mr. V. H. Pandya is Ex-Senior Executive Director of Securities & Exchange Board of India. He has vast experience in the fields of Capital Markets & Regulatory Compliance. His qualifications include B.A. LLB., CAIIB. He is also director in GIC Asset Management Company.

Mr. Lalit Kumar Dangi is a Gold Medalist Chartered Accountant. His other qualifications are A.C.S., Grad C.W.A. and B.Com. He has over 30 Years of Experience in the fields of Capital & Financial Markets. He is director in Libord Securities Ltd., Libord Advisors Pvt. Ltd., Libord Consultants Ltd., Libord Stock Brokers Pvt. Ltd., Libord Commodity Future Pvt. Ltd., Libord Exports Pvt. Ltd. & Libord Assets Reconstruction Company Pvt. Ltd.

Mr. Romil M Choksey is a Bachelor in Business Administration with expertise in the field of financial markets and business environment. He has over 5 years of experience in the area of his specialization. He is not a director in any other company.

#### IX. GENERAL INFORMATION TO SHAREHOLDERS

|     |                          |  |
|-----|--------------------------|--|
| (a) | <b>Number of AGM</b>     | <b>20<sup>th</sup></b>   |
|     | <b>Day &amp; time</b>    | 26 <sup>th</sup> September 2014 at 10.00 a.m.                          |
|     | <b>Venue</b>             | 104, M.K. Bhavan, 300 Shahid Bhagat Singh Road, Fort, Mumbai - 400 001 |
|     | <b>Book Closure</b>      | 24th September, 2014 to 25th September, 2014                           |
|     | <b>Proposed Dividend</b> | NIL  |

- (b) Financial year: April to March  
 Your Company's shares are listed on The Bombay Stock Exchange Ltd, P. J. Towers, Dalal Street, Mumbai - 23.  
 The Company has paid Listing Fees of the Bombay Stock Exchange, Mumbai upto 2014 - 15.

- (c) Code Number:

|   |                              |
|---|------------------------------|
| <b>Name of Stock Exchange</b>           | <b>Bombay Stock Exchange</b> |
| <b>Place</b>                            | <b>Mumbai</b>                |
| <b>Stock Code</b>                       | 511593                       |
| <b>Trade Symbol</b>                     | LIBORD                       |
| <b>ISN No for Dematerialized Shares</b> | INE212B01011                 |