

LIBORD FINANCE LIMITED



25th
Annual Report
2018-2019

REGISTERED OFFICE

104, M.K.Bhavan,
300, Shahid Bhagat Singh Road,
Fort, Mumbai 400 001.
Tel.: 022-2265 8108 / 9 /10
Fax : 022-2266 2520
Email : investorrelations@libord.com
Website :www. libord.com

STATUTORY AUDITOR

AMAR BAFNA & ASSOCIATES
CHARTERED ACCOUNTANTS

**COMPANY SECRETARY &
COMPLIANCE OFFICER**

LAKHAN SUGANCHAND DARGAD

DIRECTORS

Dr. (Mrs.) VANDNA DANGI
Mr. LALIT KUMAR DANGI
Mr. NAWAL AGRAWAL
Mr. ROMIL Y.CHOKSEY
Mr. RADHEY SHYAM SONI
Mr. RAGHVENDRA RAJ MEHTA (With effect from 26.02.2019)

REGISTRAR & SHARE TRANSFER AGENT:**SHAREX DYNAMIC (INDIA) PVT.LTD.**

C-101, 247 Park, L.B.S. Marg
Vikhroli (West), Mumbai -400083
Tel. : 022-2851 5606 / 5644
Fax : 022-2851 2885

Contents	Page No
Notice	01
Directors Report & State of Affairs Report	06
Report on Corporate Governance	20
Independent Auditors Report on Standalone Financial Statements	32
Standalone Balance Sheet	36
Standalone Profit & Loss Account	37
Cash Flow Statement on Standalone Accounts	38
Notes on Standalone Financial Statements	39
Independent Auditor's Report on Consolidated Accounts	46
Consolidated Balance Sheet	48
Consolidated Profit & Loss Account	49
Cash flow Statement on Consolidated Financial Statements	50
Notes on Consolidated Financial Statements	51
Proxy Form	58
Ballot Paper	59
Attendance Slip and Route map	61

NOTICE

Notice is hereby given that the 25th Annual General Meeting of the Members of Libord Finance Limited will be held at Ruby Hall, Hotel Kohinoor Continental, Near Chakala Metro Station, Andheri Kurla Road, Andheri (East), Mumbai-400059 on Monday, September 30, 2019 at 10.00 a.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider, approve and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2019 and the Auditors' Report thereon and the Report of the Directors alongwith Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2019 and the Auditors' Report thereon.
2. To appoint a Director in place of Mr. Nawal Agrawal (DIN 01753155) who retires by rotation and being eligible, offers himself for reappointment.
3. To Appoint Statutory Auditor of the Company.

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, 142 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. Mehta Singhvi & Associates, Chartered Accountants (Firm Registration Number 122217W), who have offered themselves for appointment and confirmed their eligibility to be appointed as Auditor, in terms of provisions of section 141 of the Act, and Rule 4 of the Rules, be and are hereby appointed as Statutory Auditors of the Company to hold office for a term of five years from the conclusion of this 25th Annual General Meeting (AGM) till the conclusion of the 30th AGM of the Company to be held in the year 2024 on the same terms and conditions on which the outgoing auditors were appointed by the members of the Company"

SPECIAL BUSINESS

4. **To appoint Mr. Raghvendra Raj Mehta (DIN: 01947378) as an Independent Director of the Company.**

To consider and, if thought fit, to pass, with or without modification(s), the following Resolution 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) Mr. Raghvendra Raj Mehta (DIN: 01947378), who was appointed as an Additional (Independent) Director of the Company pursuant to the provisions of Section 161 of the Companies Act, 2013 and the Articles of Association of the Company by the Board of Directors at their meeting held on 26.02.2019 and whose term of office expires at this Annual General Meeting ('AGM') and who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, be and is hereby appointed as an Independent Director of the Company to hold office for a term of 5 (five) years upto 25th February, 2024 not liable to retire by rotation."

Place : Mumbai

Date : 27th May, 2019

By the Order of the Board

Registered office :
104-M. K. Bhavan
300, Shahid Bhagat Singh Road, DIN: 00886496
Fort, Mumbai - 400 001

Dr. (Mrs.) Vandna Dangl
Managing Director
DIN: 00886496

Nawal Agrawal
Chief Financial Officer
and Director
DIN: 01753155

NOTES:-

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote on poll on his/her behalf and the proxy need not be a member of the Company. Pursuant to Section 105 of the Companies Act, 2013, a person can act as a Proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder carrying voting rights. The Instruments of proxy, in order to be effective, must be deposited at the Registered Office of the Company, duly completed and signed, not later than 48 hours before the commencement of the meeting. A Proxy Form is annexed to this Report.
2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a duly certified copy of the Board Resolution / Power of Attorney authorizing their representatives for voting purpose and to attend the Annual General Meeting.
3. The Register of Members of the Company and the Shares Transfer Books of the Company will remain closed from Thursday, September 26, 2019 to Monday, September 30, 2019 (both days inclusive). The book closure dates have been fixed in consultation with the Stock Exchange (BSE). Pursuant to the provisions of Section 94 and all other applicable provisions, if any, of the Companies Act, 2013, the Company hereby informs that the register of members and index of members register and copies of all annual returns prepared, together with the copies of certificates and documents required to be annexed thereto under Sections 92 of the Act are kept at the registered office of the Company's Registrars and Share Transfer Agents viz. Sharex Dynamic (India) Private Limited (RTA), situated at, C 101, 247 Park, L.B.S. Marg, Vikhroli West, Mumbai 400 083. The

Registers, Indexes, Returns, documents etc. as aforesaid shall be kept open for inspection between 2.00 p.m. and 4.00 p.m. on any working day of the Registrars except when the Registers and Books are closed.

4. 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.
5. An Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 relating to Special Business to be transacted with respect to Item No. 4 at the Annual General Meeting is annexed below and forms part of the Notice.
6. In terms of Section 152 of the Companies Act, 2013, Mr. Nawal Agrawal (DIN 01753155) Director of the Company retires by rotation at the Meeting and being eligible, offers himself for reappointment. A brief profile of Mr. Agrawal is annexed below and forms part of the Notice. The Board of Directors of the Company commends his re-appointment.
7. Pursuant to section 101 and section 136 of the Companies Act, 2013 read with relevant rules made thereunder, companies can serve Annual Reports and other communications through electronic mode to those members who have registered their email address either with the company or with the Depository Participant(s). Members who have not registered their e-mail address with the Company can now register the same with M/s Sharex Dynamic (India) Pvt. Ltd (Registrars & Share Transfer Agents of the Company) or with the investor relations department at the Registered Office of the Company by filling the E-Communication Registration Form available at the Website of the Company. Members holding shares in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company who have registered their email address are also entitled to receive such communication in physical form, upon request. Physical copy of the Notice of the AGM and the Attendance Slip are being sent to those members who have not registered their e-mail address with the Company or the Depository Participant(s).
8. Members who have received the Notice of the AGM and Attendance Slip in Electronic Mode are requested to print the Attendance Slip and submit a duly filled in Attendance Slip at the Registration Counter at the AGM. The Notice of the Annual General Meeting (AGM) of the Company inter alia indicating the process and manner of e-Voting along with printed Attendance Slip and Proxy Form can also be downloaded from the link www.evotingindia.com and from the website of the Company at www.libord.com.
9. Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015, the Company is pleased to provide members facility to exercise their right to vote on the resolutions proposed to be passed at AGM by electronic means. The Members may cast their votes on electronic voting system from place other than the venue of the meeting [remote e-voting].
10. The Company has approached CDSL for providing e-voting services through e-voting platform. In this regard, your Demat Account/ Folio Number has been enrolled by the Company for your participation in e-voting on resolutions placed by the Company on e-Voting system.
11. The remote e-voting period will commence at 9.00 a.m. from Thursday, September 26, 2019 and will end at 5.00 pm on Sunday, September 29, 2019 (both days inclusive). During this period shareholders of the Company, may cast their vote electronically. The e-voting module shall be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
12. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Monday, September 23, 2019. Any person, who acquires shares of the Company and becomes member of the Company after dispatch of AGM Notice and holding shares as of the cut-off date i.e., Monday, September 23, 2019, may obtain the login ID and password by sending a request at evoting@cdsl.co.in or investorrelations@libord.com.
13. **Procedure for e-voting :**
The procedure to login to e-Voting website is given below:
 - (i) The voting begins at 9.00 a.m. on September 26, 2019 and will end at 5.00 p.m. on September 29, 2019 [Both days inclusive]. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (Record Date) of September 23, 2019, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iii) Click on Shareholders / Members.
 - (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (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 and voted on an earlier voting of any company, then your existing password is to be used.
 - (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders).</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DIVIDEND, BANK DETAILS OR DATE OF BIRTH	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login</p> <ul style="list-style-type: none"> If both details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank Details field as mentioned in instruction (iv).

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (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 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 Resolution details.
- (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 a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xvii) If a Demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**
- (xix) **Note for Non-Individual Shareholders & Custodians:**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.
14. 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.

15. 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.
16. 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.
17. Members may kindly communicate immediately any change in their address mentioning PIN CODE to the Company's address.
18. 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.
19. Mr. Mehul Chhajed, Practicing Company Secretary (Membership No: A36517), Partner of M/s SKCM & Associates, has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
20. 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.
21. **Voting at the Venue of the AGM**
 - (i) The Company also offers the facility for voting through polling paper at the venue of the meeting. The Members as on the cut-off date September 23, 2019 attending the AGM are entitled to exercise their voting right at the meeting in case they have not already cast their vote by e-voting.
 - (ii) Members who have cast their vote by e-voting are also entitled to attend the AGM but they cannot cast vote at the AGM.
 - (iii) The Chairman will fix the time for voting at the meeting. Shareholders present in person or by proxy can vote at the meeting.
22. **Other Instructions:**
 - I. The Scrutinizer will collate the votes downloaded from the e-voting system and the votes cast at the meeting to declare the final result for each of the Resolutions forming part of the Annual General Meeting Notice dated 14.08.2019.
 - 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 and be communicated to the Stock Exchange where the equity shares of the Company are listed, viz. BSE Ltd. and the Registrar & Share Transfer Agents. The date of declaration of the results by the Company is deemed to be the date of passing of the Resolutions.

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

As required by Section 102 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the business mentioned under item no. 4 of the accompanying Notice dated 14.08.2019.

ITEM NO. 4:

Mr. Raghvendra Raj Mehta (Age - 68 Years & DIN: 01947378) was appointed as an Additional (Independent) Director of the Company with effect from February 26, 2019 by the Board of Directors. In terms of Section 161(1) of the Companies Act, 2013, Mr. Mehta holds office upto the date of this Annual General Meeting but is eligible for the appointment as a Director in category of Non-Executive Independent Director for a term of five years not liable to retire by rotation. Mr. Mehta has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act.

Mr. Raghvendra Raj Mehta is a Chartered Accountant (Membership F32116), having a total of 40 years of national and international senior management experience from ship owning to international trade and to managing diverse profiles of customers including large steel companies worldwide and is an Ex-CEO of a leading electricity distribution service company. A brief profile of Mr. Mehta is annexed below and forms part of the Notice.

Mr. Raghvendra Raj Mehta is not a Director in any other Companies and also not Chairman / Member of any Committees of the Boards thereof.

The Board of Directors accordingly recommend the proposed Ordinary Resolution set out in item no. 4 of the accompanying Notice for approval by Members.

Memorandum of Interest:

Except Mr. Raghvendra Raj Mehta, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their respective relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

Place : Mumbai
Date : 27th May, 2019

By the Order of the Board

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

Dr. (Mrs.) Vandna Dangi
Managing Director
DIN: 00886496

Nawal Agrawal
Chief Financial Officer
and Director
DIN: 01753155

ANNEXURE A

**DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE 25TH ANNUAL GENERAL MEETING
[PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS)
REGULATIONS, 2015]**

Ordinary/Special Business	Item No. 2	Item No. 4
Name of the Director	Mr. Nawal Agrawal	Mr. Raghvendra Raj Mehta
DIN	01753155	01947378
Age	53 Years	68 Years
Date of appointment	12.01.2006	26.02.2019
Qualification	B.Com	Chartered Accountant
Experience in specific functional areas	Over 30 years' experience in Financial Services industry and Capital Market/ Accountancy.	Over 40 years of national and international senior management experience in ship owning, international trade, large overseas steel companies and Ex-CEO of a leading electricity distribution service company,
Directorships in other Companies	Libord Securities Limited Libord Consultants Pvt. Ltd. Libord Brokerage Pvt. Ltd. (Formerly known as Libord Stock Brokers Pvt. Ltd.) Libord Advisors Pvt. Ltd. Vikramaditya Trading Pvt. Ltd. Libord Insurance Brokers Pvt. Ltd. Neha System and Services Pvt. Ltd.	None
Chairman/ Member of the Committees of the Board of Directors of the Company	Member of Stakeholders Relationship Committee of the Board of Directors	*Member of Audit Committee of the Board of Directors.
Chairman/Member of the Committees of the Board of Directors of the other Companies in which he is a Director	Member of Stakeholders Relationship Committee of the Board of Directors of Libord Securities Limited.	None
Remuneration	Nil	Nil
Number of Board Meetings Attended	7	1
No. of Shares held in the Company	Nil	Nil
Inter-se Relationship between Directors and KMPs	NA	NA

*w.e.f. 27.05.2019

DIRECTORS' REPORT & STATE OF AFFAIRS REPORT

To
The Members,
Libord Finance Limited

Your Directors have pleasure in presenting the 25th Annual Report along with the Audited Accounts of the Company for the year ended 31st March, 2019.

1. FINANCIAL PERFORMANCE

- A. A summary of the standalone & consolidated financial performance of your Company for the financial year ended 31.3.2019, is as under

Particulars	(Rs. in Lacs)			
	Standalone		Consolidated	
	2018-19	2017-18	2018-19	2017-18
Income from Operations (Net)	116.47	149.07	120.34	160.28
Profit before Depreciation and Finance Costs	13.29	71.89	14.49	72.43
Depreciation	3.64	2.86	3.64	2.86
Finance Cost	0.03	2.85	0.03	3.13
Profit before Taxes	9.62	66.18	10.82	66.44
Deferred Tax	0.12	0.11	0.12	0.11
Provision for Taxation	2.50	17.00	2.81	17.07
Short Provision Written back	(2.10)	0.02	(2.10)	0.02
Profit after Taxation (PAT)	9.10	49.05	9.99	49.24
Less Minority interest in Subsidiary	-	-	-	0.00
Add Minority interest in Associate Companies	-	-	2.86	9.53
Profit transferred to the Profit & Loss Account under Reserves & Surplus	9.10	49.05	12.85	58.77

2. REVIEW OF OPERATIONS

(a) Standalone Results

The income from operation on standalone basis during the year was Rs. 116.47 Lakhs (Previous Year Rs. 149.07 Lakhs). The Company's turnover has decreased by about 21.86% on standalone basis due to less favourable business conditions this financial year. The gross profits before taxes have decreased from Rs. 66.18 to Rs. 9.62 lakhs due to decreased scale of operations.

(b) Consolidated Results

This fiscal, your Company has achieved a turnover of Rs.120.34 Lakhs (Previous Year Rs. 160.28 Lakhs) which has decreased by 24.91% on consolidation basis. The gross profits have decreased from Rs. 66.44 lakhs to Rs. 10.82 lakhs on consolidated basis due to decreased scale of operations and discontinuance of subsidiary company.

3. OUTLOOK & PROSPECTS

The Economic Survey 2019 has given a vision of transforming India into a 5 trillion-dollar economy by the year 2024-25 for which India needs to sustain a real GDP growth rate of 8%. A series of major reforms have been undertaken over the past few years. The Survey makes the case for investment as that key driver. Key ingredients include a focus on policies that nourish MSMEs to create more jobs and become more productive, reduce the cost of capital, and rationalize the risk-return trade-off for investments. Today India has become the sixth largest economy in the world. According to World Economic Outlook 2019 released by the IMF, Indian economy grew at 7.5% rate of growth against the global growth rate at 3.6% and China at 6.9%, keeping the fastest growing economy tag. There are other positive indications such as the inflation consistently remaining within the comfort zone, current account deficit in manageable limits and foreign exchange reserves rising to all-time highs.

The investment-led growth model implies a rapid expansion in the financial system by a factor of magnitude – both banks and capital markets. Stability in various economic policies and reduction in the cost of capital over a period of time could be the game changers for the Indian economy. The improvement in the asset quality of banks over the last financial year is expected to help bring the capex cycle back on track, but concerns remain on sluggish credit growth. As per the survey, the pace of credit growth has moderated in the last few months easing to 11.9 percent in April 2019 from 13.8 percent in November 2018. However, "There are signs of continuing resolution of stressed assets in the banking sector as reflected in decline in NPA to gross advances ratio as on December 2018, which should push the capex cycle," pointed out the Economic Survey. Data from the survey showed the stressed advances ratio decreased from 12.1 percent in March 2018 to 10.5 percent in December 2018. Banks' gross non-performing assets (NPA) ratio also fell from 11.5 percent to 10.1 percent in the same period. The Reserve Bank of India (RBI) slashed its key policy rate by 75 basis points in three consecutive rate cuts since February 2019 to support growth. This, coupled with the shift to an accommodative stance in the monetary policy, should help in decreasing real lending rates. Better transmission of monetary policy would also help, the survey added.

After strong growth in 2017 and early 2018, global economic activity slowed notably in the second half of last year, reflecting a confluence of factors affecting major economies. According to World Economic Outlook released by the IMF, global growth is now projected to slow from 3.6 percent in 2018 to 3.3 percent in 2019, before returning to 3.6 percent in 2020. Beyond 2020, global growth is set to plateau at about 3.6 percent over the medium term, sustained by the increase in the relative size of

economies, such as those of China and India, which are projected to have robust growth by comparison to slower-growing advanced and emerging market economies.

Thus, we see a much-improved positive outlook for the Indian economy in the near future. However, the stagnancy in the global growth rate, rising trade tensions across major economies of the World and uncertainties of monsoon back home will continue to pose challenges to the Indian economy.

4. SHARE CAPITAL

During the year, there was an increase in the paid-up equity capital of the Company on account of the allotment of 16,50,000 Equity Shares to promoter group and non-promoters in pursuance to conversion of 16,50,000 warrants issued on preferential basis. As a result, the paid-up capital of the Company increased from Rs. 1200 Lakhs comprising of 120 lakh shares of Rs. 10 each as on March 31, 2018 to Rs. 1365 Lakhs comprising of 136.5 lakh shares of Rs. 10 each as on March 31, 2019. The Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

5. DIVIDEND

In order to conserve the resources of the Company, your directors do not recommend any dividend for the current year. A sum of Rs. 9.10 lakhs have been transferred to the Profit & Loss account under Reserves & Surplus.

6. FIXED DEPOSITS

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

7. MAINTENANCE OF COST RECORDS

The Maintenance of Cost Records pursuant to Section 148(1) of the Companies Act, 2013 is not required by the Company and accordingly such accounts and records are not made and maintained by the Company.

8. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Control System, commensurate with the size and nature of its operations. During the year, controls were tested and no material weakness in design and operation were observed. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorised use, executing transactions with proper authorisation and ensuring compliance of corporate policies.

9. DIRECTORS & KEY MANAGERIAL PERSONNEL

In accordance with the provisions of the Companies Act, 2013 Mr. Nawal Agrawal (DIN - 01753155), Director of the Company will be retiring by rotation at the ensuing Annual General Meeting and is eligible for re-appointment. During the year Mr. Romil Choksey is completing his term as an Independent Director on 25.09.2019 and is not seeking reappointment. Mr. Raghvendra Raj Mehta (DIN:1947378) was appointed as an Additional Director (Independent Director) of the Company on 26th February, 2019. The Board of Directors have recommended the appointment of Mr. Raghvendra Raj Mehta by the members of the Company in the ensuing AGM of the Company as Independent Director for the term of 5 Years.

During the year under review Ms. Namrata B. Shinde (ACS 57072) was appointed as the Company Secretary and Compliance Officer w.e.f 30th March, 2019. She resigned due to personal reasons and was relieved w.e.f. 11th April, 2019. Mr. Lakhan Dargad (ACS 52571) has been appointed as the Company Secretary and Compliance Officer on 14.08.2019 joining w.e.f. 19.08.2019.

10. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

During the year, seven (7) meetings of the Board of Directors were held. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013 and applicable Secretarial Standards. Details about the Board meetings and committee meetings are given in report on Corporate Governance which forms part of this Report.

11. DECLARATION GIVEN BY INDEPENDENT DIRECTORS

As per the requirement of Section 149 (7) of the Companies Act, 2013, the Independent Directors have given their respective declarations that they meet the criteria of independence as specified under Section 149 (6) of the Act.

12. REMUNERATION POLICY

Based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors have approved and adopted a Remuneration policy for Directors, Key Managerial Personnel and other employees of the Company under Section 178 (3) of the Companies Act, 2013. The remuneration policy has been disclosed on the website of the Company [www.libord.com](http://libord.com/Finance/InvestorRelations.aspx?Inv_Rel_Id=91) at the link http://libord.com/Finance/InvestorRelations.aspx?Inv_Rel_Id=91

13. CODE OF CONDUCT

The Code of Conduct for the Board of Directors and the senior management has been adopted by the Company. The Code of Conduct has been disclosed on the website of the Company at http://libord.com/Finance/InvestorRelations.aspx?Inv_Rel_Id=28

14. REPORT ON CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS

Report on Corporate Governance for the financial year ended March 31, 2019 along with the certificate from the Auditors of the Company confirming the compliance with regulations of corporate governance under the Listing Regulations forms part of this Report.

15. MANAGING DIRECTOR (MD) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATE

In terms of the Listing Regulations, the certificate, as prescribed in Part B of Schedule II of the said Regulations, has been obtained from Dr. (Mrs.) Vandna Dangi, Managing Director and Mr. Nawal Agrawal, Chief Financial Officer, for the financial year 2018-19 with regard to the financial statements and other matters. The said certificate forms part of the report on Corporate Governance.

16. BOARD COMMITTEES

The Company is not required to constitute the Risk Management Committee pursuant to the provisions of Regulation 21 of Listing Regulations. Details of all the following Committees constituted by the Board along with their composition, terms of reference and meetings held during the year are provided in the Report on Corporate Governance which forms part of this Report: 1. Audit Committee 2. Stakeholders' Relationship Committee 3. Nomination and Remuneration Committee.

17. SUBSIDIARY COMPANIES / ASSOCIATE COMPANIES

During the year 2018-19, M/s Libord Commodities Brokers Private Limited (LCBPL) ceased to be a subsidiary of the Company with effect from 13.02.2019. As at 31.03.2019, it is neither an associate nor a subsidiary of your Company. Your Company has 19.68% of equity holding in LCBPL. The net profit after tax of LCBPL as at 13.02.2019 was Rs. 88410/- which has been adjusted against the Discontinued subsidiary account. As LCBPL is no longer a subsidiary company as at 31.03.2019, its assets and liabilities are not consolidated accordingly.

Libord Brokerage Private Limited (Formerly, Libord Stock Brokers Private Limited) is an associate company of your company. Your Company has 39.96% of the equity holding in the Associate Company LBPL. LBPL is registered as a stock broker under the SEBI Act and is an approved member of the BSE, NSE, MCX and NCDEX and a member of CDSL duly approved by SEBI. The Company is also a member of AMFI, Comris and CCRL-RP. The net profit after tax of LBPL is Rs 121332/- for the year ended March 31, 2019. A minority interest of Rs. 48486/- has been considered in consolidation. (Refer Annexure III for Form AOC 1)

M/s Libord Advisors Private Ltd (LAPL) is an Associate Company of your Company. Your Company has 46.29% of the equity holding in the Associate Company LAPL. LAPL is a SEBI registered Category 1 Merchant Banker w.e.f. 18.10.2013. The net profit after tax of LAPL is Rs. 513329/- for the year ended as at 31.3.2019. A minority interest of Rs. 237631/- has been considered in consolidation. (Refer Annexure III for Form AOC 1)

18. VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company has adopted a Whistle Blower Policy to report to the Management instances of unethical behaviour, actual or suspected, fraud or violation of the Company's code of conduct or ethics policy. Under this policy, the employees can approach the Company's Compliance Officer and/or Chairman of the Audit Committee. Whistle Blower Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination be meted out to any person for a genuinely raised concern. The Whistle Blower Policy of the Company is also posted on the website of the Company. Details of Vigil Mechanism/Whistle Blower are also included in the report on Corporate Governance. During the financial year 2018-19, no cases under this mechanism were reported to the Company and/or to any of its subsidiaries/associate.

19. PREVENTION OF INSIDER TRADING

The Company has adopted a code of conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The "Code of Fair Disclosure, Internal Procedures and Conduct for Regulating, Monitoring and Reporting of Trading by Insiders" has been adopted and has been disclosed on the website of the Company at www.libord.com.

The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed.

20. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The provisions of Section 135 of the Companies Act, 2013 are not presently applicable to the Company.

21. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 134 (3c) & (5) of the Companies Act, 2013, 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, 2019, 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, 2013 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, 2019 on a going concern basis.
- (v) That the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (vi) That the directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

22. BUSINESS RISK MANAGEMENT

Pursuant to Section 134 (3) (n) of the Companies Act, 2013, the Company has undertaken suitable measures for the development and implementation of a risk management policy for the Company including identification of elements of risk, if any, which in the opinion of the board may threaten the existence of the Company. At present the Company has not identified any element of risk which may threaten the existence of the Company.