

**23rd  
Annual Report  
2016-2017**



**LIBORD SECURITIES LIMITED**

**REGISTERED OFFICE**

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

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

**COMPANY SECRETARY**  
**MUKESH PUROHIT**

**DIRECTORS**

Mr. LALIT KUMAR DANGI  
Mr. T.R. RAMANATHAN  
Mr. RAMESH JAIN  
Mr. NAWAL AGRAWAL  
Mr. YOGESH R. CHOKSEY  
Dr. (Mrs.) VANDNA DANGI

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

Unit No. 1, Luthra Industrial Premises,  
Safed Pool, Andheri Kurla Road,  
Andheri (East), Mumbai 400 072  
Tel. : 2851 5606 / 5644  
Fax : 2851 2885

Contents	Page No.
Notice	1-5
Directors Report & State of Affairs Report	6-9
Annexure to Directors' Report - Extract of Annual Return	10-16
Annexure to Directors' Report - Secretarial Audit Report	17-18
Annexure to Directors' Report - Remuneration Policy	19
Independent Auditor's Report	20-23
Balance Sheet	24
Profit & Loss Account	25
Cash Flow Statement	26
Notes on Financial Statements	27-33
Attendance Slip & Location Map	34
Ballot Form	35-36
Proxy Form	37

## NOTICE

Notice is hereby given that the 23<sup>rd</sup> Annual General Meeting of the Members of Libord Securities Ltd. will be held at the H.T. Parikh Conference Room, Indian Merchant Chambers, IMC Building, IMC Marg, Churchgate, Mumbai-400020 on Wednesday, June 14<sup>th</sup>, 2017 at 11.00 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, 2017 and the Auditors' Report thereon and the Report of the Directors.
2. To appoint a Director in place of Mr. Ramesh Jain (DIN 01682905) who retires by rotation and being eligible, offers himself for re-appointment.
3. **To ratify the Appointment of 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), the appointment of M/s. Amar Bafna & Associates, Chartered Accountants (Firm Registration Number 114854W), appointed as Statutory Auditors of the Company in the 22<sup>nd</sup> AGM by the members of the Company for a term of three years to hold office from the conclusion of 22<sup>nd</sup> Annual General Meeting (AGM) till the conclusion of the 25th AGM of the Company to be held in the year 2019 be and hereby ratified on the same terms and conditions on which they were appointed in the said AGM"

**SPECIAL BUSINESS**

4. **To adopt new set of Articles of Association of the Company pursuant to the Companies Act, 2013.**

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 14 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") read with Companies (Incorporation) Rules, 2014, including any statutory modifications or re-enactment thereof from time to time, the Articles of Association of the Company be and is hereby altered to be in conformity with the provisions of the said Act.

**RESOLVED FURTHER THAT** the new set of Articles of Association pursuant to the Act, be and is hereby approved and adopted in the place of existing Articles of Association of the Company.

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby severally authorised to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the aforementioned resolution, including but not limited to the filing of necessary forms with the Ministry of Corporate Affairs and to comply with all other requirements in this regard."

Place : Mumbai  
Date : 15.5.2017

By the order of the Board

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

Lalit Kumar Dangi  
Chief Executive Officer  
DIN : 00886521

Ramesh Jain  
Chief Financial Officer  
DIN : 01682905

**NOTE :-**

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. 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 Friday, June 9<sup>th</sup>, 2017 to Tuesday, June 13<sup>th</sup>, 2017 (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, Unit No.1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai 400 072. The Registers, Indexes, Returns, documents etc. as aforesaid 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 Nos. 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. Ramesh Jain (DIN:01682905), Director of the Company retires by rotation at the Meeting and being eligible, offers himself for reappointment. 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 <http://www.evotingindia.com> and from the website of the Company at <http://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 resolution placed by the Company on e-Voting system.
11. The remote e-voting period will commence at 9.00 a.m. from Friday, June 9<sup>th</sup>, 2017 and will end at 5.00 pm on Tuesday, June 13<sup>th</sup>, 2017 (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 Tuesday, 6.06.2017. 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. 6.06.2017, may obtain the login ID and password by sending a request at [evoting@cdsl.co.in](mailto:evoting@cdsl.co.in) or [investorrelations@libord.com](mailto:investorrelations@libord.com).
13. **Procedure for e-voting :**  
The procedure to login to e-Voting website is given below:
  - (i) The voting period begins on 9.06.2017 (9.00 AM) and ends on 13.06.2017 (5.00 PM) [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 6.06.2017, 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](http://www.evotingindia.com).
  - (iii) Click on Shareholders.
  - (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](http://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"> <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 8 digits of the sequence number in the PAN field.</li> <li>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.</li> </ul>
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"> <li>If both details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank Detail as mentioned in instruction (iv).</li> </ul>

(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 SECURITIES 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, Windows & Apple Smart Phones. 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](http://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](mailto: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](mailto: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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto: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 Chhajer, Practicing Company Secretary (Membership No: A36517), Proprietor of M/s Mehul Chhajer & Associates, Company Secretaries, 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 through Ballot Form:**

In terms of Regulation 44 of SEBI (Listing Obligation and Disclosure requirements) Regulations, 2015 those Members, who do not have access to e-voting facility provided by the Company for the AGM in terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, may send their assent (FOR) or dissent (AGAINST) in writing on the ballot form enclosed in page no. 35-36. For details of the Scrutinizer and the steps followed for voting through ballot please refer instructions printed overleaf the ballot form. (Refer Page No. 35-36).

**22. Voting at the Venue of the AGM**

- (i) The Company also offers the facility for voting through polling paper / show of hands at the venue of the meeting. The Members as on the cut-off date 6.06.2017 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 / Ballot.
- (ii) Members who have cast their vote by e-voting / Ballot 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.

**23. Other Instructions:**

- I. The Scrutinizer will collate the votes downloaded from the e-voting system and votes received through ballot 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.
- 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 be communicated to the Stock Exchanges where the Company is 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 Nos. 4 of the accompanying Notice dated 15.05.2017.

**ITEM NO 4**

The Articles of Association ("AOA") of the Company is presently in force since the incorporation of the Company i.e. year 1994. The existing Articles of Association are in line with the erstwhile Companies Act 1956, which are thus no longer in full conformity with the Companies Act, 2013 ('New Act'). With the coming into force of the New Act, several articles of the existing Articles of Association of the Company require alteration / modification. Accordingly, it is expedient to adopt new set of Articles of Association in substitution of existing Articles of Association of the Company pursuant to the Companies Act, 2013.

Hence, the Board of Directors at its meeting held on 15th May, 2017 have decided to adopt new set of Articles in place of existing Articles of Association of the Company and seek shareholders' approval for the same.

In terms of Section 14 of the Companies Act, 2013, the consent of the members by way of special resolution is required for adoption of new set of Articles of Association of the Company.

A copy of the existing and proposed Articles of Association would be available for inspection by the members at the registered office of the Company on any working day between 2.00 P.M. to 4.00 P.M. till the date of 23<sup>rd</sup> AGM.

The Board of Directors accordingly recommend the proposed Special Resolution set out at item number 4 of the accompanying Notice for approval by Members.

None of the Directors and Key Managerial Personnel of the Company or their respective relatives are concerned or interested in the Resolution set out at Item No. 4 of the accompanying Notice.

Place : Mumbai  
Date : 15.5.2017

By the order of the Board

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

Lalit Kumar Dangi  
Chief Executive Officer  
DIN : 00886521

Ramesh Jain  
Chief Financial Officer  
DIN : 01682905

**DIRECTORS' REPORT & STATE OF AFFAIRS REPORT**

To,  
The Members,  
**Libord Securities Limited**

Your Directors have pleasure in presenting the 23rd Annual Report along with the Audited Accounts of the Company for the year ended 31st March, 2017

**1. FINANCIAL PERFORMANCE**

A. A summary of the financial performance of your Company for the financial year ended 31.3.2017, is as under (₹ in Lacs)

Particulars	Standalone	
	2016-17	2015-16
Income from Operations (net)	44.48	37.72
Gross Profit before Depreciation & Taxes	14.69	11.73
Depreciation	0.67	0.63
Deferred Tax	(0.05)	0.03
Provision for Taxation	4.00	3.40
Short Provision Written Back	0.02	(0.02)
Profit after Taxation (PAT) transferred to the Profit & Loss Account under Reserves & Surplus	10.05	7.69

**2. REVIEW OF OPERATIONS**

The income from operation on during the year was ₹ 44.48 Lakhs (Previous Year 37.72 Lakhs). The Company's turnover has increased by about 17.92% on largely due to increase in consultancy income. The gross profits have increased by 25.23% due to better operational efficiency.

**3. OUTLOOK & PROSPECTS**

The Indian Economy has been one of the fastest growing economy in the World. The focus of the economic policies has been on transforming India into a modern and swachh Bharat through economic reforms, demonetization, digitalization in a cleaner and corruption free environment.

However, the World that almost turned into a global village due to wide scale globalization and liberalization has been seeing a reversal in trade policies of many nations who have chosen to put their respective country's interest first which has promoted protectionism as a matter of major concern particularly for emerging and developing economies whose external trade may be hit considerably if such protectionist bias continues.

Indian Economy is not aloof to changes occurring in the outside world and therefore, the positive and negative changes in the world economy do affect India's performance in the economic sphere. However, amid the unusually volatile external environment the Indian economy has grown quite impressively this fiscal to consolidate India's position as the fastest growing economy. The Economic Survey projects there is a strong likelihood that Indian economy may recover back to a growth of 6% per cent to 7½ per cent in 2017-18. With the rapid strides that the Indian Economy is making powered by thrust towards make in India campaign and promotion of ease of doing business, your Company sees a good opportunity for improvement of its performance in the near term.

**4. SHARE CAPITAL**

There was an increase in the authorised share capital of the Company during the year under review from ₹ 6 crore to ₹ 11 crore as approved by the members of the Company in the 22<sup>nd</sup> AGM of the Company. The paid up equity capital remained at ₹ 500 Lakhs comprising of 50 lakh shares of ₹ 10 each as on March 31, 2017. The Company has not issued shares with differential voting rights nor granted stock options nor sweat equity.

**5. DIVIDEND**

Your directors do not recommend any dividend for the current year under review in order to conserve resources. A sum of ₹ 10.05 lakhs has 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. 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.



**8. DIRECTORS & KEY MANAGERIAL PERSONNEL**

In accordance with the provisions of the Companies Act, 2013, Mr. Ramesh Jain (DIN 01682905) Director of the Company will be retiring by rotation at this Annual General Meeting and is eligible for re-appointment. There is no change in the composition of the Board of Directors.

**9. CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION & ANALYSIS**

As per The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 effective from 1st December, 2015, the compliance with the corporate governance provisions as specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V are not mandatorily required to be complied by a Company whose paid up share capital does not exceed ₹ 10 crores and net worth does not exceed ₹ 25 crores.

Considering that the Company's paid-up equity share capital was less than ₹ 10.00 Crore and the Net Worth was less than ₹ 25 Crore as at 31.3.2017, compliance with the provisions mentioned aforesaid are not mandatory for the Company.

**10. NUMBER OF THE MEETINGS OF THE BOARD OF DIRECTORS**

During the year there were four Board Meetings held on 26.05.2016, 10.08.2016, 4.11.2016, and 10.02.2017. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

**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 is annexed to this Report and forms part of this Report.

**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 [www.libord.com](http://www.libord.com).

**14. SUBSIDIARY COMPANIES / ASSOCIATE COMPANIES**

The Company does not have any Subsidiary Company or Associate Company as defined under the provisions of the Companies Act, 2013. Hence Statement of Salient Features of the Financial Statement of Subsidiaries & Associate Companies pursuant to first proviso to sub-section (3) of Section 129 of the Companies Act, 2013 read with rule 5 of the Companies (Accounts) Rules, 2014 (AOC1) is not applicable and does not form part of this report.

**15. 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 posted on the website of the Company.

**16. 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 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. 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](http://www.libord.com).

**17. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE**

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

**18. 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, 2017, 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, 2017 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

#### 19. 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.

#### 20. BOARD EVALUATION

The performance of Board of Directors and the Committees constituted by the Board and the individual Directors has been evaluated during the Financial Year ended 31st March 2017.

#### 21. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

There are no contracts or arrangements with related parties as which are not at arms' length during the year. Hence Form AOC2 pursuant to the provisions of section 134(3)(h) of the Companies Act, 2013 and rule 8(2) of the Companies (Accounts) Rules, 2014 is not applicable and does not form part of this report accordingly.

#### 22. PARTICULARS OF MATERIAL ORDERS

During the year under review, neither any Regulator nor any Court or Tribunal has passed any significant and material order impacting the going concern status and the Company's operations in the future.

#### 23. MATERIAL CHANGES AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There were no material changes and commitments affecting the financial position of the company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.

#### 24. PURCHASE OF SHARES OF THE COMPANY

The Company does not give any loan, guarantee or security, or any financial assistance to the employees of the Company for the purpose of purchase or subscription for any shares of the Company pursuant to Section 67 (2) of the Companies Act, 2013.

#### 25. EXTRACT OF ANNUAL RETURN

Pursuant to provisions of Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of the Annual Return in Form MGT-9 is annexed to this Report and forms part of this Report. (Please refer, Annexure - I - Extract of Annual Return).

#### 26. AUDIT COMMITTEE

##### a) Terms of Reference

To oversee, inter alia, 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 quarterly and annual financial statements before submission to the Board of Directors.

##### b) Composition of Audit Committee

The Audit Committee comprises of three directors with Independent Directors forming the majority. Mr. Yogesh R. Choksey is the Chairman of the Audit Committee. Mr. T.R. Ramanathan and Mr. Ramesh Jain are the other two members of the Audit Committee. The members possess adequate knowledge of accounts, audit and finance, among others. The composition of the Audit Committee meets the requirement as per section 177 of the Companies Act, 2013. There are no recommendations of the Audit Committee which have not been accepted by the Board. During the year four Audit Committee meetings were held on 26.05.2016, 10.08.2016, 4.11.2016, and 10.02.2017.

#### 27. SECRETARIAL AUDIT REPORT

M/s Kamlesh Jain & Associates, Company Secretaries, have been appointed to conduct the Secretarial Audit of the Company for the financial year 2016-17. Pursuant to Section 204 (1) of the Companies Act, 2013, the Secretarial Audit Report submitted by the Secretarial Auditors for the year ended 31st March, 2017 is annexed to the Annual Report and forms part of the Annual Report. The observations made in the Auditors' Report read together with relevant notes thereon are self-explanatory and hence, do not call for any further comments under Section 134 (3) of the Companies Act, 2013 besides that the Company could not appoint a Company Secretary in the Year 2016-17 as it could not locate a suitable candidate. However, the Company has appointed a Company Secretary with effect from 2.5.2017.

#### 28. AUDITORS

At the 22<sup>nd</sup> Annual General Meeting, Members have appointed M/s. Amar Bafna & Associates, Chartered Accountants, Mumbai (FRN: 114854W) as Statutory Auditors for a period of three years, subject to ratification by Members in every ensuing Annual General Meeting. M/s. Amar Bafna & Associates, Chartered Accountants, Mumbai (FRN: 114854W), the existing Auditors have furnished a certificate, confirming that if ratified, their appointment will be in accordance with Section 139 read with Section 141 of the Companies Act, 2013. The Members are requested to ratify their appointment as Auditors of the Company for the remaining term of two years on the same terms and conditions on which they were appointed in the said AGM, subject to ratification every ensuing Annual General Meeting. The Auditors' Report to the shareholders for the year under review does not contain any qualification.

#### 29. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENT

The Company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013.