

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
FAX : 2851 2885

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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 26th 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
- (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 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:

For Members holding shares in Demat Form and Physical Form	
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"> 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.
	<ul style="list-style-type: none"> 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.
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"> 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 the number of shares held by you as on the cut off date in the Dividend Bank details field.

- (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. 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 under help Section or write an email to helpdesk.evoting@cdslindia.com or 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. Mehl Chhaged, 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. Mehl Chhaged, 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 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 (Rs. in Lakhs)	2012-2013 (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 (Rs. in Lakhs)	2012-2013 (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 31st 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) Number of AGM	20th
Day & time	26 th September 2014 at 10.00 a.m.
Venue	104, M.K. Bhavan, 300 Shahid Bhagat Singh Road, Fort, Mumbai - 400 001
Book Closure	24th September, 2014 to 25th September, 2014
Proposed Dividend	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:

Name of Stock Exchange	Bombay Stock Exchange
Place	Mumbai
Stock Code	511593
Trade Symbol	LIBORD
ISN No for Dematerialized Shares	INE212B01011

- (d) Details of shares Price movement in the BSE Mumbai from 1
- st
- April 2013 to 31
- st
- March 2014 are as follows:

Month	The Bombay Stock Exchange (In Rupees)	
	High	Low
April, 2013	7.87	7.27
May, 2013	7.30	6.61
June, 2013	7.80	6.90
July, 2013	9.00	7.90
August, 2013	8.87	7.70
September, 2013	7.80	7.60
October, 2013	7.95	7.55
November, 2013	7.60	7.13
December, 2013	7.40	6.60
January, 2014	6.77	5.80
February, 2014	5.78	5.30
March, 2014	5.50	5.00

- (e) Registrar & Transfer Agent.
Sharex Dynamic (India) Ltd. - Unit No. 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai - 400 072.
- (f) Distribution of shares as on 31.03.2014

Shareholding of Nominal values	No. of shareholders	% of Holders	Total	% of Amount
Upto 5000	11282	92.31	16800400.00	21.00
5001 - 10000	566	4.63	4720420.00	5.90
10001 - 20000	204	1.67	3054040.00	3.82
20001 - 30000	68	.56	1718140.00	2.15
30001 - 40000	29	.24	1040620.00	1.30
40001 - 50000	22	.18	1046340.00	1.31
50001 - 100000	25	.20	1898280.00	2.37
100001 & above	26	.21	49721760.00	62.15
Total	12222	100.00	80000000.00	100.00

- (g) Shareholdings Pattern as on 31.03.2014

Category	No of shares held	Percentage of shareholding
A Promoters Holding		
1. Promoters		
- Indian Promoters	45,15,228	56.440
- Foreign Promoters	-	-
2. Persons acting in concert #	-	-
Sub-Total	45,15,228	56.440
B. Non-Promoters Holding	-	-
3 Institutional Investors	-	-
A Mutual Funds and UTI	-	-
B Banks, Financial Institutions, Insurance Companies (Central / State Govt. Institutions / Government Institutions)	-	-
4 Others		
A Private Corporate Bodies	1,20,643	1.508
B Indian Public	32,75,194	40.940
C NRIs OCBs	87,831	1.098
D Any other (Please Specify) Clearing Member	1,104	0.014
Sub-Total	34,84,772	43.560
Grand Total	80,00,000	100.00

- (h) Dematerialization of shares & liquidity: -
62,21,800 Shares have been dematerialized as on 31.03.2014.
- (i) The Corporate Identity Number (CIN) of the Company, as allotted by Ministry of Corporate Affairs is L65990MH1994PLC077482
- (j) The Managing Director of the Company has certified to the Board in the manner required under the corporate governance code concerning the Annual Financial Statements.
- (k) The Company has not issued any GDR / ADR / Convertible instruments.
- (l) Address for Correspondence:
104, M. K. Bhavan, 300, Shahid Bhagat Singh Road,
Fort Market, Fort, Mumbai 400 001.
Phone No: 22658108 / 09 / 10
Fax No: 22662520
Email Id: investorrelations@libord.com
Website : www.libord.com

For and on Behalf of the Board

Dr. (Mrs.) Vandna Lalit Dangri
Managing DirectorPlace: Mumbai
Date: 26.05.2014

MANAGEMENT DISCUSSION AND ANALYSIS

Scope of Activity : Libord Finance Limited is a registered Non Banking Finance Company. Over the years it has forayed into a wide spectrum of Financial and Corporate Advisory Services and established a niche for itself in providing a wide spectrum of consulting services for Corporate Finance, Project Management, Merger & Acquisition, Transfer Pricing, Rehabilitation of Sick Companies, and Matters related to Domestic and International Tax Laws, Rules and Regulations.

Opportunities & Threats : This fiscal was yet another year marked with slow down in the rate of growth in the Indian economy. This was reflective of global developments and domestic supply constraints. There was uncertainty in the general economic and business environment with no impressive growth in the gross capital formation, savings and investment rates. The inflation continued to remain at high levels and slow down affected industrial production in most sectors. The Reserve Bank of India which had reduced the policy rates thrice last year showing concern for growth and development quite in contrast with its long standing track record of giving preference to controlling inflation in India, took a u-turn and raised the policy rates thrice this fiscal.

The financial markets faced turbulence arising out of US Fed contemplating tapering its large scale asset purchase programme. This affected most emerging markets and developing economies adversely and India could be no exception. To add to the severity of volatility caused by vulnerable foreign institutional investment, many corporate and banks failed to produce attractive balance-sheets due to high interest rates, supply constraints, falling rupee and policy paralysis syndrome. There was a general stagnancy which probably occurred due to the lack of business and consumer confidence and as a result the Indian economy achieved less than optimal growth in yet another year in succession.

The Indian Economy is reported to have achieved a growth rate of about 4.7% in 2013-2014 which is certainly a dismal performance considering that it has decelerated from a far glamorous growth rate of 10.4% in the year 2010. Fiscal deficit in 2013-14 was pegged at 4.6% of GDP in the revised estimates presented in the interim budget and was better than the budgeted 4.8% of GDP. However, much of it was attributed to a sharp decline in planned expenditures which too might have contributed to deceleration in the rate economic growth.

However, in the last week of January 2014, 296 new projects with an estimated project cost of Rs 6,60,000 crore were cleared. One other positive trend was seen in the field of exports. Though sluggish imports remained a cause of concern, it was also indicative of deterioration in the urge to make investment, particularly in the manufacturing sector. But there was seen a definite surge in the general investing climate as the poll pundits started predicting the strong possibility of a stable government coming into power in the general elections which were to be held in May 2014.

The equity markets swelled and broke all records of historic heights and the rupee was strengthened as the FIIs gleefully turned into net buyers. The new government has fought the elections on the development issue and so it is generally believed that the investment climate is bound to improve in the years to come. Though how much sprint in the growth rate would be achieved the next fiscal, is yet to be seen. A lot would depend on how early and how effectively inflationary pressures are brought under control and the policy paralysis syndrome reversed.

In a gloomy environment that prevailed in the fiscal 2013-14, your company has achieved a consolidated turnover of 169.91 lakhs and standalone turnover Rs. 169.04 lakhs which is about 40 % higher than 120.85 lakhs achieved in the previous year. This was mainly due to increase in the revenues from the Consultancy Services provided by the Company.

Risks and Concerns : The Company is providing financial, corporate and management consultancy and undertakes wide spectrum of activities and therefore has a well diversified portfolio of services provided. Currently there are no risks faced by the Company.

Outlook : With the increasing thrust on speeding up the reform process and magnificent CAD performance and a satisfactory built up of foreign exchange reserves, many bet about India being an attractive long term investment opportunity and so if the investment outlook improves there is growth in anvil in the years to come. As the Indian economy is looking poised for a better performance in the fiscal 2014-15, the Company sees growth opportunities for its business in the year ahead.

Financial Performance and Operational performance : We have improved our performance and focused on managing costs. The Financial performance of the Company has been satisfactory.

Review of Internal Control System and their Adequacy : The Company has internal control system which, in the opinion of the Management, is commensurate with the size and activities of the company.

Human Resource Development and Industrial Relations : The Company continues to maintain excellent industrial relations, while also ensuring human resource development. Training and educational programs are conducted regularly to improve the efficiency and productivity levels of every employee. The Board is also working on a comprehensive basis to review company's HR Policies so as to provide opportunities for the absorption of new talent in the Company. The company believes that highly motivated staff and employees represent the core strength of a consulting finance company like us and so we make every effort to inculcate and nurture good talent as a matter of our HR initiative.

For and on Behalf of the Board

Place: Mumbai
Date : 26.05.2014

Dr. (Mrs) Vandna Lalit Dangi
Managing Director

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS & SENIOR MANAGERIAL PERSONNEL WITH THE CODE OF CONDUCT & ETHICS

The Board of Directors of the Company approved the Code of Conduct for the Directors and the Senior Management Personnel. All the Directors and the designated personnel in the Senior Management of the Company have affirmed Compliance with the Code of Conduct for the Financial Year ended 31st March, 2014.

For and on Behalf of the Board

Place: Mumbai
Date : 26.05.2014

Dr. (Mrs) Vandna Lalit Dangi
Managing Director

AUDITOR'S CERTIFICATE FOR CORPORATE GOVERNANCE

To the Members of
Libord Finance Limited

We have examined the compliance of conditions of Corporate Governance by Libord Finance Limited, for the year ended 31st March, 2014 as stipulated in clause 49 of the listing Agreement of the said Company with the Stock Exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

As required by the Guidance Note issued by the Institute of Chartered Accountants of India and on the basis of representation received from the Registrar and Share Transfer Agents and as per records maintained by the Company which are presented to the Shareholders Grievances Committee, we state that no investor grievances were pending for a period exceeding one month.

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

For AMAR BAFNA & ASSOCIATES
Chartered Accountants
FRN 114854W

Place : Mumbai
Date : 26.05.2014

Amar Bafna
Partner
M. No. 048639

INDEPENDENT AUDITORS' REPORT

To
The Members of
LIBORD FINANCE LIMITED

We have audited the accompanying consolidated financial statements (the "Consolidated Financial Statements") of Libord Finance Limited ("the Company") and its subsidiary; hereinafter referred to as the "Group" which comprise the consolidated Balance Sheet as at March 31, 2014 and the consolidated Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information which we have signed under reference to this report.

MANAGEMENT'S RESPONSIBILITY FOR THE CONSOLIDATED FINANCIAL STATEMENTS

The Company's Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated and financial performance of the Group in accordance with accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

OPINION

We report that the consolidated financial statements have been prepared by the Company's Management in accordance with the requirements of Accounting Standard (AS) 21 - Consolidated Financial Statements, notified under Section 211(3C) of the Companies Act, 1956").

Based on our audit and on the other financial information of the component of the Group as referred to in paragraph Other Matters below, and to the best of our information and according to the explanations given to us, in our opinion, the accompanying consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;
- (b) in the case of the consolidated Statement of Profit and Loss, of the profit for the year ended on that date; and

OTHER MATTER

The financial statements of subsidiary included in the consolidated financial statements, which constitute total assets of Rs 33.37 Lacs and net assets of Rs 33.03 Lacs as at March 31, 2014 and total revenue of Rs. 0.87 Lacs, net profit of Rs 0.15 Lacs for the year then ended have been audited by us.

For **AMAR BAFNA & ASSOCIATES**
CHARTERED ACCOUNTANTS
FRN 114854W

AMAR BAFNA
PARTNER
M. No. 048639

Place: Mumbai
Date: 26th May, 2014

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2014

	NOTES	AS AT 31.03.2014 Rupees
Equity and Liabilities		
Shareholders' funds		
Shareholders' Funds		
Share Capital	2	80,000,000
Reserves and Surplus	3	(638,771)
Money Received Against Share Warrants		-
	Sub-Total	79,361,229
Share Application Money (Pending Allotment)		-
Minority Interest		212,530
Non-Current Liabilities		
Long Term Borrowings		-
Deferred Tax Liability (Net)	4	114,650
Other Long term Liabilities		-
Lon Term Provisions		-
	Sub-Total	114,650
Current Liabilities		
Short term Borrowings	5	1,012,000
Trade Payables	6	743,728
Other Current Liabilities	7	18,800
Short Term Provisions	8	2,038,400
	Sub-Total	3,812,928
	Total	83,501,337
ASSETS		
Non-Current Assets		
Fixed Assets		
Tangible Assets	9	1,194,458
Intangible Assets		-
Goodwill on Consolidation		26,576
Non-current Investments	10	38,240,906
Deferred Tax Asset (Net)		-
Long Term Loans and Advances		-
Other Non-Current Assets	11	145,369
	Sub-Total	39,607,309
Current Assets		
Current Investments		-
Inventories		-
Trade Receivables	12	3,006,487
Cash and Cash Equivalents	13	1,206,412
Short-term Loans and Advances	14	39,681,129
Other Current Assets		-
	Sub-Total	43,894,028
	Total	83,501,337
Summary of Significant Accounting Policies	1	
Notes to the Financial Statements	2 to 33	

As per our report of even date attached

For Amar Bafna & Associates
Chartered Accountants
FRN 114854W

Amar Bafna
Partner
M.No.048639

Place : Mumbai
Date : 26.05.2014

For & on Behalf of Board

Dr.(Mrs.) Vandna Lalit Dangi Managing Director

Mr. V. H. Pandya Director

Mr. Nawal Agrawal Director

Place : Mumbai
Date : 26.05.2014

STATEMENT OF CONSOLIDATED PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014
FOR THE YEAR ENDED 31.03.2014

	NOTES	Rupees
INCOME		
Revenue From Operations	14	16,779,012
Other Income	15	211,829
Total Revenue		<u>16,990,841</u>
EXPENSES		
Employee Benefits Expense	16	5,482,126
Finance Cost	17	6,613
Depreciation and Amortization Expense	18	132,031
Administrative and Other Expenses	19	4,806,193
Total Expenses		<u>10,426,963</u>
Profit (Loss) Before Tax		6,563,879
Tax Expense		
Deferred Tax		7,302
Current Tax		2,038,400
Short Provision written Back		8,304
Total Tax Expense		<u>2,054,006</u>
Profit (Loss) After Tax From Continuing Operations		4,509,873
Less : Share of Minority Interest		1,158
Net Profit after Minority Interest		4,508,715
Earnings Per Equity Share	20	
Basic & Diluted		0.56
Summary of Significant Accounting Policies	1	
Notes to the Financial Statements	2 to 33	

As per our report of even date attached

For Amar Bafna & Associates
Chartered Accountants
FRN 114854W

Amar Bafna
Partner
M.No.048639

Place : Mumbai
Date : 26.05.2014

For & on Behalf of Board

Dr.(Mrs.) Vandna Lalit Dangi Managing Director

Mr. V. H. Pandya Director

Mr. Nawal Agrawal Director

Place : Mumbai
Date : 26.05.2014

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

NOTE 1

SIGNIFICANT ACCOUNTING POLICIES:

a) Principles of Consolidation:

- (a) The consolidated financial statements have been prepared in accordance with Accounting Standard 21 (AS 21) on "Consolidated Financial Statements" as specified in the Companies (Accounting Standard) Rules, 2006 and on the basis of separate audited financial statements of Libord Finance Limited (LFL), its subsidiary. Reference in the notes to "Group" shall mean to mean include LFL, its subsidiary consolidated in these financial statements unless otherwise stated.
- (b) The Consolidated financial statements have been prepared on the following basis :
- The financial statements of the Company and its subsidiary are combined on line to line basis by adding together the book values of like items of assets, liabilities, incomes and expenses, after fully eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses in accordance with Accounting Standard (AS) 21 "Consolidated Financial Statements"
 - The Difference between the cost of investment in the subsidiary over net assets at the time of acquisition of the investment in subsidiary is recognized in the financial statements as Goodwill or Capital Reserve as the case may be.
 - Minority Interest's share of net profit of consolidated subsidiary for the year is identified and adjusted against the income of the group in order to arrive at the net income attributable to shareholders of the company.
 - Minority Interest's share of net assets of consolidated subsidiary is identified and presented in the consolidated balance sheet separate from liabilities and the equity of the company's shareholders.
 - Investment made by the parent company in subsidiary company subsequent to the holding-subsidiary relationship coming into existence is eliminated while preparing the consolidated financial statement.
 - As far as possible, the consolidated financial statements are prepared using uniform accounting policies for the like transactions and other events in similar circumstances.

The list of Company included in consolidation, relationship with Libord Finance Limited and Libord Finance Limited's shareholding therein as under (The reporting date for all the entities is 31st March, 2014):

S.No.	Name of the Company	Country of Incorporation	Relationship	Shareholding as at 31st March, 2014
1.	Libord Stock Brokers Private Limited	India	Subsidiary	93.57% by LFL

b) System of Accounting:

The accounts have been prepared on the basis of historical cost convention and on the basis of a going concern, with revenues recognized and expenses accounted on accrual basis.

c) Revenue Recognition and Expenses:

All expenses and income to the extent payable or receivable respectively are accounted for on accrual basis.

d) Fixed Assets:

Fixed Assets are stated at cost, inclusive of incidental expenses, less accumulated depreciation and Lease Terminal Adjustment.

e) Depreciation:

Depreciation on fixed assets is provided on the Straight Line Method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

f) Valuation of Investments and Stock-in-trade:

- Long Term Investments are valued at cost. However, provision for diminution is made to recognize a decline, other than temporary, in the value of investments, such reduction being determined and made for each investment individually.
- Current investments are valued at cost.

g) Retirement Benefits:

Defined Benefit Plans: The present value of the obligation under such plan, is determined based on an actuarial valuation using the Projected unit Credit Method. Actuarial gains and losses arising on such valuation are recognized immediately in the profit & Loss Account. In Case of funded defined benefit plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on net basis.

h) Taxation:

Income-tax expense comprises current tax and deferred tax charge or credit. Provision for Current tax is made on the basis of assessable income at the tax rate applicable to the relevant assessment year. The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax law that have been enacted or substantively enacted by the Balance sheet Date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognised, only if there is a virtual certainty of its realisation, supported by Convincing evidence. Deferred tax assets on account of other timing differences are recognised only to the extent there is a reasonable certainty of its realisation. At each Balance sheet date, the carrying amount of deferred tax assets is reviewed to reassure realisation.

i) Impairment of Assets:

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/ external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.

j) Borrowing Cost:

Borrowing Costs attributable to acquisition and construction of respective assets are capitalized as a part of the cost of such assets upto date when such asset is ready for its intended use. Other borrowing costs are charged to Profit & Loss Account.

k) Provision, Contingent Liabilities and Contingent Assets:

Provision are recognised for when the company has at present, legal or contractual obligation as a result of past events, only if it is probable that an outflow of resources embodying economic outgo or loss will be required and if the amount involved can be measured reliably.

Contingent liabilities being a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more future events not wholly in control of the company are not recognised in the accounts. The nature of such liabilities and an estimate of its financial effect are disclosed in notes to the Financial Statements.

Contingent assets are neither recognised nor disclosed in the financial statements.

l) Earnings Per Share:

The Company reports basic and diluted earnings per share (EPS) in accordance with the Accounting Standard 20 as specified in the Companies (Accounting Standard) Rules 2006 (as amended). The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year. The Diluted EPS has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.

m) Current and Non-Current Classifications:

All the assets and liabilities have been classified as current or non-current as per the respective company's normal operating cycle and other criteria set out in Revised Schedule VI to the Companies Act, 1956. Based on the nature of activities and time between the activities performed and their subsequent realisation in cash or cash equivalents, the respective companies have ascertained their operating cycle for the purpose of current / non-current classification of assets and liabilities and the same is consolidated on a line-by-line basis.

n) Cash Flow Statement**i) Cash & Cash Equivalents (For the purpose of cash flow statement):**

Cash comprises cash on hand and demand deposit with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

ii) Cash Flow Statement:

Cash flow are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flow from regular revenue generating, financing and investing activities of the company are segregated.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014*(Currency : Indian Rupee)***March 31, 2014**

2 SHARE CAPITAL	
Authorized Share Capital	
90,00,000 (2013- 90,00,000) equity shares of par value of Rs. 10 each	90,000,000
	90,000,000
Issued, Subscribed and Paid-up Share Capital	
80,00,000 (2013- 80,00,000) equity shares of par value of Rs. 10 each, fully paid-up	80,000,000
	80,000,000
(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period	
At the beginning of the year, nos. 80,00,000 (2013- 80,00,000)	80,000,000
Issued during the period- Nil (2013- Nil)	-
Outstanding at the end of the period, nos. 80,00,000 (2013- 80,00,000)	80,000,000
b) Details of shareholders holding more than 5% shares in the company Equity shares of Rs. 10 each fully paid up	
	No. of shares Percentage
Libord Exports Pvt Ltd	1,790,877 22.39%
Lalit Kumar Dangl	1,087,836 13.60%
Libord Consultants Ltd	785,500 9.82%
Vandna Dangl	762,335 9.53%
c) Aggregate number of bonus shares issued during the period of five years immediately preceding the reporting date.	
Equity shares allotted as fully paid bonus shares by capitalization of reserves	-
3 RESERVES AND SURPLUS	
Surplus/(Deficit) in the Statement of Profit and Loss	
Balance as per the last financial statements	(5,284,011)
Profit (loss) for the year	4,508,715
Provision for Diminuation in the value of Investment Written Back	136,525
Net deficit in the statement of profit and loss	(638,771)
Total Reserves and Surplus	(638,771)
4 DEFERRED TAX LIABILITY (NET)	
The components of deferred tax balance are as follows:	
Deferred tax liability	
Difference between book depreciation and depreciation under the Income tax Act, 1961.	114,650
	114,650
5 SHORT TERM BORROWINGS	
Unsecured Loans	1,012,000
	1,012,000
6 TRADE PAYABLES	
For Goods, Services & Expenses	743,728
	743,728
7 OTHER CURRENT LIABILITIES	
Other Liabilities	18,800
	18,800

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014

(Currency : Indian Rupee)

March 31, 2014

8 SHORT TERM PROVISIONS
Provision for Income Tax

2,038,400

2,038,400

9 TANGIBLE ASSETS

Amount in Rs.

DESCRIPTIONS	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	COST AS AT	ADDITIONS	DEDUCTION	TOTAL COST	AS AT	ADDITIONS	DEDUCTIONS	AS AT	W. D. V.	W. D. V.
	01.04.2013	DURING THE	DURING THE	AS AT	01.04.2011	FOR THE		31.03.2014	AS AT	AS AT
	YEAR	YEAR	31.03.2014		YEAR			31.03.2014	31.03.2013	31.03.2013
Vehicles	1,270,416	-	-	1,270,416	253,944	63,486	-	317,430	952,986	1,016,472
Furniture	550,801	-	-	550,801	550,800	-	-	550,800	1	1
Data Processing Equipments	2,092,829	-	-	2,092,829	1,929,902	53,311	-	1,983,213	109,616	162,927
Office Equipment	326,736	-	-	326,736	179,647	15,234	-	194,881	131,855	147,089
Total	4,240,782	-	-	4,240,782	2,914,293	132,031	-	3,046,324	1,194,458	1,326,489
Previous Year	4,116,292	124,490	-	4,240,782	2,779,493	134,800	-	2,914,293	1,326,489	1,336,799

10 NON-CURRENT INVESTMENTS (TRADE - AT COST)

	FACE VALUE	No. of Shares	March 31, 2014 Amount (INR)
Investment in equity instruments (Quoted)			
Abee Infocom Ltd	10	12,800	38,400
Adiyaman Investments Ltd.	10	2,900	34,800
Delta Polyester Ltd.	10	150,700	1,500,700
Ispat Industries Ltd.	10	700	46,375
Krystal Polyfab Ltd.	10	32,500	487,500
Libord Securities Ltd.	10	500,000	5,000,000
Mazda Fabric Processors Ltd.	10	181,900	1,819,000
Namaste Exports Ltd.	10	200	38,000
Ocean Knitting Ltd.	10	21,000	195,806
Parasrampur Industries Ltd.	10	180	7,740
Ratangiri Textiles Limited.	10	79,100	918,294
Tinna Electronics Ltd.	10	7,200	72,000
Vatsa Corporation Ltd. (Formerly, Vatsa Finance Ltd.)	10	52,100	155,488
Vinyoflex Ltd.	10	1,200	14,400
Bihar Sponge Iron Ltd	10	80	240
Damania Capital Ltd	10	17,100	51,300
Elder Electronics Ltd	10	15,200	45,600
Glowfam Cotspin Ltd	10	30	450
Indian Infotech Ltd	10	500	2,500
Rajdarshani Industries Ltd	10	500	2,500
Shri Jaylaxmi Spinning Ltd	10	23,700	71,100
Thambi Modern Ltd	10	1,600	8,000
Welspun India Ltd	10	70	7,000
Zenith Ltd	10	1,323	13,230
Emkay Aromatics Ltd.	10	38,200	242,570
Kalinga Cement Ltd.	10	1,600	800
Maulik Finance Ltd.	10	21,100	63,300
Housing Development & Infrastructure Ltd.	10	2,000	549,517
Hindustan Oil Exploration Co.Ltd.	10	2,000	483,353
Infrastrucutre Development Finance Company Ltd.	10	1,000	217,384
Jain Irrigation System Ltd	2	1,000	249,188
Orbit Corporation Ltd.	10	3,000	387,990
Voltas Ltd.	1	500	88,856
Lloyd Steel Ltd	10	25,000	307,842
Kumar Wire Cloth Mfg Ltd	10	70,000	700,000
			13,821,222
Less : Provision for diminution in the value of investments			1,550,316
			12,270,906
Investment in Equity Instruments (Unquoted)			
Shilpa Filaments Pvt. Ltd.	10	100,000	1,000,000
Libord Advisors Pvt.Ltd.	10	2,497,000	24,970,000
			38,240,906
Aggregate Cost of Quoted Investments			13,821,222
Aggregate Market Value of Quoted Investments			4,010,394

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014*(Currency : Indian Rupee)***March 31, 2014**

11 OTHER NON- CUURENT ASSETS	
Misc. Expenditure (to the extent not written off)	145,369
	<u>145,369</u>
12 TRADE RECEIVABLES	
(Considered good, unless otherwise stated)	
Outstanding for more than six months	28,063
Others	2,978,424
	<u>3,006,487</u>
13 CASH AND CASH EQUIVALENTS	
Cash on Hand	179,501
Balances with Scheduled Banks in Current Accounts	226,911
in Fixed Deposit Accounts	800,000
	<u>1,206,412</u>
14 LOANS AND ADVANCES	
(Unsecured, considered good unless otherwise stated)	
Advances recoverable in cash or in kind	30,597,700
Interest accrued on fixed deposits	139,817
Tax Deducted at Source	2,967,890
Deposits	5,975,722
	<u>39,681,129</u>
15 REVENUE FROM OPERATIONS	
Interest	1,647,418
Consultancy Charges	15,131,594
Revenue from operations (Net)	<u>16,779,012</u>
16 OTHER INCOME	
Dividend	4,097
Interest on Income Tax Refund	42,099
Interest Received	87,290
Interest Fixed Deposit	78,343
	<u>211,829</u>
17 EMPLOYEE BENEFIT EXPENSES	
Salaries and Wages	3,577,638
Staff Welfare	557,555
Bonus	41,933
Directors Remuneration	1,305,000
	<u>5,482,126</u>
18 FINANCE COSTS	
Bank Charges	6,613
	<u>6,613</u>
19 DEPRECIATION AND AMORTIZATION EXPENSE	
Depreciation on Tangible assets	132,031
	<u>132,031</u>

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2014*(Currency : Indian Rupee)***March 31, 2014****20 ADMINISTRATIVE AND OTHER EXPENSES**

Power & Electricity		200,768
Insurance		24,408
Director Sitting Fees		63,000
Membership & Subscription		26,723
Repairs and Maintenance		92,663
Payment to Auditors		64,494
Advertising Expenses		314,164
Conveyance		229,284
Consultancy Fees Paid		24,475
Legal & Professional Charges		193,000
Listing Fees		25,000
Rent		1,398,876
Filing Fees		6,318
Postage & Telephone		153,194
Printing & Stationery		64,599
Sundry Expenses		-
Business Promotion Expenses		116,089
Conference Expenses		706,861
Travelling Expenses		
Foreign Travelling	323,780	
Domestic Travelling	304,847	628,627
Registrar & Share Transfer Expenses		64,170
Software & Internet Expenses		31,821
Motor Car Expenses		217,003
Misc. Expenditure Written Off		36,342
Books & Periodicals		5,760
Profession Tax		17,500
Lease Charges		-
Donation		100,000
Sundry Balance W/off		1,054
		<u>4,806,193</u>

21 EARNINGS PER SHARE (EPS)

Profit computation for both basic & diluted earnings per share of Rs. 10 each.	
Net Profit (loss) for calculation of basic and diluted EPS	4,509,873
Weighted average no. of shares for basic and diluted EPS	8,000,000
Earning per share basic / diluted	0.56

22 CONTINGENT LIABILITIES

Corporate Guarantees given to financial Institutions against credit facilities extended to other bodies corporate	800,000
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23 AUDITORS REMUNERATION

Audit Fees	54,000
Tax Audit Fees	10,000
Out of Pocket Expenses	7,910
	<u>71,910</u>

24 The Group has given interest free security deposit of Rs 50,00,000 to Mr. Lalit Dangi, a Director of the Company, in respect of the office premises taken on lease from him, with the stipulation that no compensation will be payable to him.

25 Expenditure incurred on employees during the year who were in receipt of Rs. 24,00,000 p.a. or Rs. 2,00,000 per month, if employed for part of the year. -

26 Imports calculated on CIF basis. -

27 Expenditure in foreign currency. -

28 Earnings in Foreign currency on FOB basis. -

- 29 In the Opinion of the Board of Directors, the Current Assets, Loans & Advances are approximately of the value stated in the Balance Sheet as at 31st March, 2014, if realized in the ordinary course of business. Provision for depreciation and all known liabilities has been made and is adequate and not in excess of the amount reasonably necessary.
- 30 The Group is required to furnish the list of outstanding to Small Scale Industrial undertakings under the head Current Liabilities. The Group does not have the information about the registration of small scale industries.
- 31 The balances of certain Trade Receivables/ Payables/ Short term loans and advances are subject to confirmation and reconciliation thereof, if any.
- 32 Being the first year of consolidation, Consolidated Cash Flow Statement is not prepared and also, pervious year figure's are not applicable.
- 33 RELATED PARTY DISCLOSURE (As Identified & Certified by The Management Of Company)**
- (1) Relationship:
- a) Parties Where control exist : Nil
- b) Other Parties with Whom the Company has entered into transaction or not during the year :
- (i) Libord Securities Limited
- (ii) Libord Consultants Limited
- (iii) Libord Export Private Limited
- (iv) Neha System Service Private Limited
- (v) Vikrmaditya Trading Limited
- (vi) Libord Advisors Private Limited
- (viii) Libord Asset Reconstruction Copany Private Limited
- (ix) Libord Commodity Futures Private Limited
- (x) Vee Global Financial Services Private Limited
- c) Key Management Personnel
Vandna Lalit Dangri

(2) Related Party Transactions

The following transactions were carried out with related parties in the ordinary course of business

Nature of Trasactions	Subsidiaries		Controlling Company / Enterprises Controlled by the Controlling Company		Key Management Personnel		Total	
	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14
A. Volume of Transactions								
Expenses.	-	-	-	-	-	-	-	-
Loan Given/ (Repaid) (Year End Balance)	-	-	180,000	623,660	-	-	180,000	623,660
Loan Taken/ (Repaid) (Year End Balance)	-	-	1,012,000	-	-	-	1,012,000	-
Remuneration to Key Management Personnel	-	-	-	-	1,305,000	1,200,000	1,305,000	1,200,000
B. Balance at the end of the period								
Investment in Equity								
Libord Securities Ltd.	-	-	5,000,000	5,000,000	-	-	5,000,000	5,000,000
Libord Advisors Pvt Ltd.	-	-	24,970,000	24,970,000	-	-	24,970,000	24,970,000

As per our attached report of even date

For **AMAR BAFNA & ASSOCIATES**
CHARTERED ACCOUNTANTS
FRN 114854W

AMAR BAFNA
PARTNER
M.NO. 048639

Place: Mumbai
Date : 26th May,2014

For and on Behalf of the Board

Dr. (Mrs.) Vandna Lalit Dangri - Managing Director

Mr. V.H. Pandya - Director

Mr. Nawal Agrawal - Director

INDEPENDENT AUDITORS' REPORT

To
The Members of
LIBORD FINANCE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Libord Finance Limited (the "Company"), which comprise the Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information, which we have signed under reference to this report.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 (the Act) in accordance with accounting principle generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence, about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditors consider internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the accompanying financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by 'the Companies (Auditor's Report) Order, 2003', as amended by 'the Companies (Auditor's Report) (Amendment) Order, 2004', issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act;
 - (e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF THE LIBORD FINANCE LIMITED

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As per information provided to us, the fixed assets have been physically verified by the management at reasonable intervals and there were no material discrepancies noted during such verification.
- (c) There was no substantial disposal of fixed assets during the year.
- (ii) The nature of the company's activity is such that requirement of sub-clause (a) (b) & (c) of this (i.e. regarding inventory) are not applicable.
- (iii) (a) The Company has granted loans to two party amounting to Rs. 1,82,500/- (year end balance) covered in the register maintained under section 301 of the Companies Act.
- (b) The interest and other terms and conditions are not prima facie prejudicial to the interest of the Company.
- (c) In respect of the aforesaid loans, the parties are repaying the principal amounts, as stipulated, and are also regular in payment of interest as applicable.
- (d) In respect of the aforesaid loans, there is no overdue amount more than Rupees One Lakh.
- (e) The Company has taken unsecured loans from One company covered in the register maintained under Section 301 of the Act. The year-end balance of such loans aggregated to Rs. 10,12,000/-.
- (f) In our opinion, the rate of interest and other terms and conditions of such loans are not prima facie prejudicial to the interest of the Company.
- (g) In respect of the aforesaid loans, the Company is regular in repaying the principal amounts, as stipulated, and is also regular in payment of interest, as applicable.
- (iv) In our opinion and according to explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business. During the process of audit, no major weakness has been noticed in the internal control.
- (v) According to the information and explanations provided by the management, we are of the opinion that the contracts or arrangements that need to be entered into the register required to be maintained under Section 301 of the Act, has been entered.
- (vi) The Company has not accepted deposit from the public under section 58A and 58AA of the Companies Act and rules framed there under.
- (vii) The company does not have an internal system.
- (viii) As informed to us, there are no cost records prescribed by the central government under sec. 209(1)(d) of the Act, hence this clause is not applicable.
- (ix) (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is regular in depositing the undisputed statutory dues, including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty and other material statutory dues, as applicable, with the appropriate authorities.
- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income-tax, sales-tax, wealth-tax, service-tax, customs duty, and excise duty which have not been deposited on account of any dispute.
- (c) According to information and explanations given to us, there are no amounts pending on account of disputes with any statutory authorities.
- (x) The Company does not have any accumulated losses more than 50% of the net worth and therefore, this clause is not applicable.
- (xi) Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the Company has not defaulted in repayment of dues to a financial institution or banks.
- (xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares debentures and other securities.
- (xiii) The Company not being Chit Fund / Nidhi / mutual Benefit Fund this clause and sub clause (a) (b) (c) (d) are not applicable.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Order are not applicable to the Company.
- (xv) As informed to us the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) The Company had not taken any term loan during the year.
- (xvii) Based on the examination of documents and records made available and on the basis of information and explanations given to us, the Company has not used funds raised on short term basis for long term investments and vice versa.
- (xviii) The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act.
- (xix) The Company has not issued any debentures; hence this clause does not apply.
- (xx) The Company has not raised any money by public issue; hence this clause is not applicable.
- (xxi) Based on the audit procedures performed and information and explanation given by the management, we report that no fraud on or by the company has been noticed or reported during the year.

For **AMAR BAFNA & ASSOCIATES**
CHARTERED ACCOUNTANTS
FRN 114854W

AMAR BAFNA
PARTNER
M. No. 048639

Place: Mumbai
Date: 26th May, 2014

For **AMAR BAFNA & ASSOCIATES**
CHARTERED ACCOUNTANTS
FRN 114854W

AMAR BAFNA
PARTNER
M. No. 048639

Place: Mumbai
Date: 26th May, 2014

BALANCE SHEET AS AT 31ST MARCH 2014

	NOTES	AS AT 31.03.2014 Rupees	AS AT 31.03.2013 Rupees
Equity and Liabilities			
Shareholders' funds			
Share capital	2	80,000,000	80,000,000
Reserves and surplus	3	(655,605)	(5,284,011)
Money Received Against Share Warrants		—	—
		<u>79,344,395</u>	<u>74,715,989</u>
Share Application Money (Pending Allotment)		—	—
Non-current liabilities			
Deferred tax liability	4	114,650	107,347
		<u>114,650</u>	<u>107,347</u>
Current liabilities			
Short term borrowings	5	1,012,000	—
Trade payables	6	719,234	438,518
Other Current Liabilities	7	18,800	—
Short term provisions	8	2,031,000	350,000
		<u>3,781,034</u>	<u>788,518</u>
		<u>83,240,079</u>	<u>75,611,854</u>
Assets			
Non-current assets			
Fixed assets			
Tangible assets	9	1,194,458	1,326,489
Non-current Investments	10	41,340,906	38,104,381
		<u>42,535,364</u>	<u>39,430,869</u>
Current assets			
Trade receivables	10	3,006,487	3,373,040
Cash and bank balances	11	1,123,327	1,751,099
Short-term loans and advances	12	36,574,900	31,056,845
		<u>40,704,715</u>	<u>36,180,984</u>
		<u>83,240,079</u>	<u>75,611,854</u>
Summary of significant accounting policies	1		
Notes to the Financial Statements	2 to 32		

As per our attached report of even date

For Amar Bafna & Associates
Chartered Accountants
FRN 114854W

For & on Behalf of Board

Dr.(Mrs.) Vandna Lalit Dangi Managing Director

Mr. V. H. Pandya Director

Mr. Nawal Agrawal Director

Amar Bafna
Partner
M.No.048639

Place : Mumbai
Date : 26.05.2014

Place : Mumbai
Date : 26.05.2014

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

	NOTES	FOR THE YEAR ENDED 31.03.2014 Rupees	FOR THE YEAR ENDED 31.03.2013 Rupees
INCOME			
Revenue from operations	14	16,779,012	11,908,420
Other income	15	124,539	176,418
Total revenue		16,903,551	12,084,839
EXPENSES			
Employee benefits expense	16	5,482,126	4,643,109
Finance cost	17	6,613	64,536
Depreciation and amortization expense	18	132,031	134,800
Administrative and other expenses	19	4,744,295	6,037,006
Total expenses		10,365,065	10,879,451
Profit (Loss) before tax		6,538,487	1,205,388
Tax expense			
Deferred tax		7,302	12,553
Current tax		2,031,000	350,000
Earlier years		8,304	(243)
Total tax expense		2,046,606	362,310
Profit (Loss) after tax from continuing operations		4,491,881	843,077
Earnings per equity share	20		
Basic & Diluted		0.56	0.11
Summary of significant accounting policies	1		
Notes to the Financial Statements	2 to 32		

As per our attached report of even date

For Amar Bafna & Associates
Chartered Accountants
FRN 114854W

Amar Bafna
Partner
M.No.048639

Place : Mumbai
Date : 26.05.2014

For & on Behalf of Board

Dr.(Mrs.) Vandna Lalit Dangi Managing Director

Mr. V. H. Pandya Director

Mr. Nawal Agrawal Director

Place : Mumbai
Date : 26.05.2014

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014**NOTE 1****SIGNIFICANT ACCOUNTING POLICIES:**

- 1. System Of Accounting:**
The accounts have been prepared on the basis of historical cost convention and on the basis of a going concern, with revenues recognized and expenses accounted on accrual basis.
- 2. Revenue Recognition and Expenses:**
All expenses and income to the extent payable or receivable respectively are accounted for on accrual basis.
- 3. Fixed Assets:**
Fixed Assets are stated at cost, inclusive of incidental expenses, less accumulated depreciation and Lease Terminal Adjustment.
- 4. Depreciation:**
Depreciation on fixed assets is provided on the Straight Line Method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.
- 5. Valuation of Investments and Stock-in-trade:**
 - i) Long Term Investments are valued at cost. However, provision for diminution is made to recognize a decline, other than temporary, in the value of investments, such reduction being determined and made for each investment individually.
 - ii) Current investments are valued at cost.
- 6. Retirement Benefits:**
Defined Benefit Plans: The present value of the obligation under such plan, is determined based on an actuarial valuation using the Projected unit Credit Method. Actuarial gains and losses arising on such valuation are recognized immediately in the Profit & Loss Account. In Case of funded defined benefit plans, the fair value of the plan assets is reduced from the gross obligation under the defined benefit plans, to recognize the obligation on net basis.
- 7. Taxation:**
Income-tax expense comprises current tax and deferred tax charge or credit. Provision for Current tax is made on the basis of assessable income at the tax rate applicable to the relevant assessment year. The deferred tax asset and deferred tax liability is calculated by applying tax rate and tax law that have been enacted or substantively enacted by the Balance sheet Date. Deferred tax assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognised, only if there is a virtual certainty of its realisation, supported by Convincing evidence. Deferred tax assets on account of other timing differences are recognised only to the extent there is a reasonable certainty of its realisation. At each Balance sheet date, the carrying amount of deferred tax assets is reviewed to reassure realisation.
- 8. Impairment of Assets:**
The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/ external factors. An asset is impaired when the carrying amount of the asset exceeds the recoverable amount. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. An impairment loss recognized in prior accounting periods is reversed if there has been change in the estimate of the recoverable amount.
- 9. Borrowing Cost:**
Borrowing Costs attributable to acquisition and construction of respective assets are capitalized as a part of the cost of such assets upto date when such asset is ready for its intended use. Other borrowing costs are charged to Profit & Loss Account.
- 10. Provision, Contingent Liabilities and Contingent Assets:**
Translations are recognised for when the company has at present, legal or contractual obligation as a result of past events, only if it is probable that an outflow of resources embodying economic outgo or loss will be required and if the amount involved can be measured reliably.
Contingent liabilities being a possible obligation as a result of past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more future events not wholly in control of the company are not recognised in the accounts. The nature of such liabilities and an estimate of its financial effect are disclosed in notes to the Financial Statements.
Contingent assets are neither recognised nor disclosed in the financial statements.
- 11. Earnings Per Share:**
The Company reports basic and diluted earnings per share (EPS) in accordance with the Accounting Standard 20 as specified in the Companies (Accounting Standard) Rules 2006 (as amended). The Basic EPS has been computed by dividing the income available to equity shareholders by the weighted average number of equity shares outstanding during the accounting year. The Diluted EPS has been computed using the weighted average number of equity shares and dilutive potential equity shares outstanding at the end of the year.
- 12. Current and Non-Current Classifications:**
All the assets and liabilities have been classified as current or non-current as per the respective company's normal operating cycle and other criteria set out in Revised Schedule VI to the Companies Act, 1956. Based on the nature of activities and time between the activities performed and their subsequent realisation in cash or cash equivalents, the respective companies have ascertained their operating cycle for the purpose of current / non-current classification of assets and liabilities and the same is consolidated on a line-by-line basis.
- 13. Cash Flow Statement:**
 - i) Cash & Cash Equivalents (For the purpose of cash flow statement):
Cash comprises cash on hand and demand deposit with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.
 - ii) Cash Flow Statement:
Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, financing and investing activities of the company are segregated.

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014*(Currency : Indian Rupee)*

	March 31, 2014	March 31, 2013
2 SHARE CAPITAL		
Authorized		
80,00,000 (2013- 90,00,000) equity shares of par value of Rs. 10 each	90,00,000	90,00,000
	90,00,000	90,00,000
Issued, subscribed and paid-up		
80,00,000 (2013- 80,00,000) equity shares of par value of Rs. 10 each, fully paid-up	80,00,000	80,00,000
	80,00,000	80,00,000
(a) Reconciliation of the shares outstanding at the beginning and at the end of the reporting period		
At the beginning of the year, nos. 80,00,000 (2013- 80,00,000)	80,00,000	80,00,000
Issued during the period- Nil (2013- Nil)	-	-
Outstanding at the end of the period, nos. 80,00,000 (2013- 80,00,000)	80,00,000	80,00,000
b) Details of shareholders holding more than 5% shares in the company Equity shares of Rs. 10 each fully paid up	No. of shares Percentage	No. of shares Percentage
Libord Exports Pvt Ltd	1,790,877 22.39%	1,735,528 21.69%
Lalit Kumar Dangi	1,087,836 13.60%	1,087,836 13.60%
Libord Consultants Ltd	785,500 9.82%	785,500 9.82%
Vandana Dangi	762,335 9.53%	762,335 9.53%
c) Aggregate number of bonus shares issued during the period of five years immediately preceding the reporting date.		
Equity shares allotted as fully paid bonus shares by capitalization of reserves	-	-
3 RESERVES AND SURPLUS		
Surplus/(deficit) in the statement of profit and loss		
Balance as per the last financial statements	(5,284,011)	(6,321,291)
Profit (loss) for the year	4,491,881	843,077
Provision for Gratuity write back	-	194,203
Provision for Diminution in the value of Investments Write Back	136,525	-
Net surplus in the statement of profit and loss	(655,605)	(5,284,011)
Total Reserves and Surplus	(655,605)	(5,284,011)
4 DEFERRED TAX LIABILITY (NET)		
The components of deferred tax balance are as follows:		
Deferred tax liability		
Difference between book depreciation and depreciation under the Income tax Act, 1961	114,650	107,347
	114,650	107,347
5 SHORT TERM BORROWINGS		
Unsecured Loans	1,012,000	-
	1,012,000	-
6 TRADE PAYABLES		
For goods, Services & expenses	719,234	438,517
	-	-
	719,234	438,517
7 OTHER CURRENT LIABILITIES		
Other Liabilities	18,800	-
	18,800	-

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014

(Currency : Indian Rupee)

8 SHORT TERM PROVISIONS
Provision for Income Tax

March 31, 2014

March 31, 2013

2,031,000

350,000

2,031,000

350,000

9 TANGIBLE ASSETS

Amount in Rs.

DESCRIPTIONS	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	COST AS AT	ADDITIONS	DEDUCTION	TOTAL COST	AS AT	ADDITIONS	DEDUCTIONS	AS AT	W. D. V.	W. D. V.
	01.04.2013	DURING THE	DURING THE	AS AT	01.04.2011	FOR THE		31.03.2014	AS AT	AS AT
	YEAR	YEAR	31.03.2014		YEAR			31.03.2014	31.03.2013	
Vehicles	1,270,416	-	-	1,270,416	253,944	63,486	-	317,430	952,986	1,016,472
Furniture	550,801	-	-	550,801	550,800	-	-	550,800	1	1
Data Processing Equipments	2,092,829	-	-	2,092,829	1,929,902	53,311	-	1,983,213	109,616	162,927
Office Equipment	326,736	-	-	326,736	179,647	15,234	-	194,881	131,855	147,089
SUB TOTAL										
TOTAL	4,240,782	-	-	4,240,782	2,914,293	132,031	-	3,046,324	1,194,458	1,326,489
Previous Year	4,116,292	124,490	-	4,240,782	2,779,493	134,800	-	2,914,293	1,326,489	1,336,799

10 NON-CURRENT INVESTMENTS (TRADE - AT COST)

March 31, 2014

March 31, 2013

	FACE VALUE	No. of Shares	Amount (INR)	No. of Shares	Amount (INR)
Investment in equity instruments (Quoted)					
Abee Infocom Ltd	10	12,800	38,400	12,800	38,400
Adiyaman Investments Ltd.	10	2,900	34,800	2,900	34,800
Delta Polyester Ltd.	10	150,700	1,500,700	150,700	1,500,700
Ispat Industries Ltd.	10	700	46,375	700	46,375
Krystal Polyfab Ltd.	10	32,500	487,500	32,500	487,500
Libord Securities Ltd.	10	500,000	5,000,000	500,000	5,000,000
Mazda Fabric Processors Ltd.	10	181,900	1,819,000	181,900	1,819,000
Namaste Exports Ltd.	10	200	38,000	200	38,000
Ocean Knitting Ltd.	10	21,000	195,806	21,000	195,806
Parasrampur Industries Ltd.	10	180	7,740	180	7,740
Ratangiri Textiles Limited.	10	79,100	918,294	79,100	918,294
Tinna Electronics Ltd.	10	7,200	72,000	7,200	72,000
Vatsa Corporation Ltd. (Formerly, Vatsa Finance Ltd.)	10	52,100	155,488	52,100	155,488
Vinyoflex Ltd.	10	1,200	14,400	1,200	14,400
Bihar Sponge Iron Ltd	10	80	240	80	240
Damania Capital Ltd	10	17,100	51,300	17,100	51,300
Elder Electronics Ltd	10	15,200	45,600	15,200	45,600
Glowfam Cotspin Ltd	10	30	450	30	450
Indian Infotech Ltd	10	500	2,500	500	2,500
Rajdarshani Industries Ltd	10	500	2,500	500	2,500
Shri Jaylaxmi Spinning Ltd	10	23,700	71,100	23,700	71,100
Thambi Modern Ltd	10	1,600	8,000	1,600	8,000
Welspun India Ltd	10	70	7,000	70	7,000
Zenith Ltd	10	1,323	13,230	1,323	13,230
Emkay Aromatics Ltd.	10	38,200	242,570	38,200	242,570
Kalinga Cement Ltd.	10	1,600	800	1,600	800
Maulik Finance Ltd.	10	21,100	63,300	21,100	63,300
Housing Development & Infrastructure Ltd.	10	2,000	549,517	2,000	549,517
Hindustan Oil Exploration Co.Ltd.	10	2,000	483,353	2,000	483,353
Infrastrucutre Development Finance Company Ltd.	10	1,000	217,384	1,000	217,384
Jain Irrigation System Ltd	2	1,000	249,188	1,000	249,188
Orbit Corporation Ltd.	10	3,000	387,990	3,000	387,990
Voltas Ltd.	1	500	88,856	500	88,856
Lloyd Steel Ltd	10	25,000	307,842	25,000	307,842
Kumar Wire Cloth Mfg Ltd	10	70,000	700,000	70,000	700,000
			13,821,222		13,821,222
Less : Provision for diminution in the value of investments					-
			1,550,316		1,686,841
			12,270,906		12,134,381
Investment in equity instruments (Unquoted)					
Shilpa Filaments Pvt. Ltd.	10	100,000	1,000,000	100,000	1,000,000
Libord Advisors Pvt.Ltd.	10	2,497,000	24,970,000	2,497,000	24,970,000
Libord Stock Brokers Pvt. Ltd.	10	310,000	3,100,000	-	-
			41,340,906		38,104,381
Aggregate Cost of Quoted Investments			13,821,222		13,821,222
Aggregate Market Value of Quoted Investments			4,010,394		5,096,488

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014*(Currency : Indian Rupee)*

	March 31, 2014	March 31, 2013
11 TRADE RECEIVABLES		
(considered good unless otherwise stated)		
Outstanding for more than six months	28,063	558,744
Others	2,978,424	2,814,296
	<u>3,006,487</u>	<u>3,373,040</u>
12 CASH AND BANK BALANCES		
Cash on Hand	178,268	651,641
Balances with Scheduled Banks		
- in Current Accounts	145,060	299,458
- in Fixed Deposit Accounts	800,000	800,000
	<u>1,123,327</u>	<u>1,751,099</u>
13 LOANS AND ADVANCES		
(unsecured, considered good unless otherwise stated)		
Advances recoverable in cash or in kind	27,600,200	22,988,366
Interest accrued on fixed deposits	139,817	69,309
Tax Deducted at Source	2,959,161	1,884,790
Deposits	5,875,722	6,114,380
	<u>36,574,900</u>	<u>31,056,845</u>
14 REVENUE FROM OPERATIONS		
Interest	1,647,418	2,972,600
Consultancy Charges	15,131,594	8,935,820
Revenue from operations (Net)	<u>16,779,012</u>	<u>11,908,420</u>
15 OTHER INCOME		
Dividend	4,097	4,367
Interest on Income Tax Refund	42,099	50,539
Interest Fixed Deposit	78,343	121,512
	<u>124,539</u>	<u>176,418</u>
16 EMPLOYEE BENEFIT EXPENSES		
Salaries and Wages	3,577,638	2,835,335
Staff Welfare	557,555	438,348
Bonus	41,933	169,426
Directors Remuneration	1,305,000	1,200,000
	<u>5,482,126</u>	<u>4,643,109</u>
17 FINANCE COSTS		
Bank Charges	6,613	11,361
Bank Interest	-	4,037
Other Interest	-	49,138
	<u>6,613</u>	<u>64,536</u>
18 DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation on Tangible assets	132,031	134,801
	<u>132,031</u>	<u>134,801</u>

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2014*(Currency : Indian Rupee)*

	March 31, 2014	March 31, 2013
19 ADMINISTRATIVE AND OTHER EXPENSES		
Power & Electricity	200,768	178,323
Insurance	24,408	28,124
Director Sitting Fees	63,000	60,000
Membership & Subscription	26,723	149,535
Repairs and Maintenance	92,663	58,382
Payment to Auditors	60,000	60,000
Advertising Expenses	314,164	811,000
Conveyance	229,284	269,243
Consultancy Fees Paid	24,475	-
Legal & Professional Charges	193,000	517,345
Listing/Delisting Fees	25,000	25,000
Rent	1,398,876	1,748,668
Fees & Taxes	2,756	1,500
Postage & Telephone	153,194	515,389
Printing & Stationery	64,599	347,766
Sundry Expenses	-	33,725
Business Promotion Expenses	116,089	254,802
Conference Expenses	706,861	-
Travelling Expenses		
Foreign Travelling	323,780	-
Domestic Travelling	304,847	279,275
Registrar & Share Transfer Expenses	64,170	45,884
Software & Internet Expenses	31,821	9,100
Motor Car Expenses	217,003	255,687
Books & Periodicals	5,760	26,545
Lease Charges	-	361,713
Donation	100,000	-
Sundry Balance W/off	1,054	-
	<u>4,744,295</u>	<u>6,037,006</u>
20 EARNINGS PER SHARE (EPS)		
Profit computation for both basic & diluted earnings per share of Rs.10 each.		
Net Profit (loss) for calculation of basic and diluted EPS	4,491,881	843,077
Weighted average no. of shares for basic and diluted EPS	8,000,000	8,000,000
Earning per share basic / diluted	0.56	0.11
21 CONTINGENT LIABILITIES		
Corporate Guarantees given to financial Institutions against credit facilities extended to other bodies corporate	800,000	800,000
22 AUDITORS REMUNERATION		
Audit Fees	50,000	50,000
Tax Audit Fees	10,000	10,000
Other matters	7,416	7,416
	<u>67,416</u>	<u>67,416</u>
23		
The Company has given interest free security deposit of Rs 50,00,000 to Mr. Lalit Dangi, a Director of the Company, in respect of the office premises taken on lease from him, with the stipulation that no compensation will be payable to him.		
24 Expenditure incurred on employees during the year who were in receipt of Rs. 24,00,000 p.a. or Rs. 2,00,000 per month, if employed for part of the year	-	-
25 IMPORTS CALCULATED ON CIF BASIS	-	-
26 EXPENDITURE IN FOREIGN CURRENCY	-	-
27 EARNINGS IN FOREIGN CURRENCY ON FOB BASIS	-	-

- 28 In the Opinion of the Board of Directors, the Current Assets, Loans & Advances are approximately of the value stated in the Balance Sheet as at 31st March, 2014, if realized in the ordinary course of business. Provision for depreciation and all known liabilities has been made and is adequate and not in excess of the amount reasonably necessary.
- 29 The company is required to furnish the list of outstanding to Small Scale Industrial undertakings under the head Current Liabilities. The Company does not have the information about the registration of small scale industries.

30 RELATED PARTY DISCLOSURE (As Identified & Certified by The Management Of Company)

(1) Relationship:

- (a) Parties Where control exist : Nil
- (b) Other Parties with Whom the Company has entered into transaction or not during the year :
- Libord Securities Limited
 - Libord Consultants Limited
 - Libord Export Private Limited
 - Neha System Service Private Limited
 - Vikmaditya Trading Limited
 - Libord Advisors Private Limited
 - Libord Stock Brokers Private Limited
 - Libord Asset Reconstruction Company Private Limited
 - Libord Commodity Futures Private Limited
 - Vee Global Financial Services Private Limited
- (c) Key Management Personnel
Vandna Lalit Dangri

(2) Related Party Transactions

The following transactions were carried out with related parties in the ordinary course of business

Nature of Transactions	Subsidiaries		Controlling Company / Enterprises Controlled by the Controlling Company		Key Management Personnel		Total	
	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13	2013-14	2012-13
A. Volume of Transactions								
Expenses.	--	--	--	--	--	--	--	--
Loan given / (repaid) (Year End Balance)		-	182,500	623,660	-	-	182,500	623,660
Loan taken / (repaid) (Year End Balance)		-	1,012,000	-	-	-	1,012,000	-
Remuneration to key management personnel	-	-	-	-	1,305,000	1,200,000	1,305,000	1,200,000
B. Balance at the end of the period								
Investment in Equity								
Libord Securities Ltd.	-	-	5,000,000	5,000,000	-	-	5,000,000	5,000,000
Libord Stock Brokers Pvt. Ltd.	3,100,000	-	-	-	-	-	3,100,000	-
Libord Advisors Pvt Ltd.	-	-	24,970,000	24,970,000	-	-	24,970,000	24,970,000

- 31 The balances of certain Trade Receivables/ Payables/ Short term loans and advances are subject to confirmation and reconciliation thereof, if any.
- 32 Previous year figures have been regrouped / rearranged wherever necessary / possible.

As per our report of even date attached
For **AMAR BAFNA & ASSOCIATES**
CHARTERED ACCOUNTANTS
FRN 114854W

AMAR BAFNA
PARTNER
M.NO. 048639

Place: Mumbai
Date : 26th May,2014

For and on Behalf of the Board

Dr. (Mrs.) Vandna Lalit Dangri - Managing Director

Mr. V.H. Pandya - Director

Mr. Nawal Agrawal - Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	(Rupees) 2013-2014	(Rupees) 2012-2013
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax & Extraordinary items	6,538,487	1,205,388
Adjustment for Preliminary Expenses Written Off	-	-
Depreciation	132,031	134,800
Depreciation Written Back	-	-
Provision for Diminution in the value of Investment Write Back	136,525	-
Provision for Gratuity written back	-	194,203
Loss on sale of Assets	-	-
Profit on sale of Assets	-	-
	<u>268,556</u>	<u>329,003</u>
Operating Profit Before Working Capital Changes	6,807,043	1,534,391
Adjustment for :		
Trade Receivable	366,553	3,250,780
Loans & Advances	(5,518,055)	21,738,261
Trade Payable & short term provisions	299,517	(262,005)
	<u>(4,851,985)</u>	<u>24,727,035</u>
Cash Generated from Operations	1,955,058	26,261,426
Interest	-	-
Tax Paid	358,304	349,757
Pror Period/Tax provision adjustments	-	-
	<u>358,304</u>	<u>349,757</u>
Net Cash From Operating Activities	1,596,754	25,911,669
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchases of Fixed Assets	-	124,490
Investments	3,236,525	25,669,999
Sale of Assets	-	-
Preliminary Expenses	-	-
Interest Received	-	-
	<u>3,236,525</u>	<u>25,794,489</u>
Net Cash Used in Investing Activities	(1,639,771)	117,180
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Share Application Money	-	-
Proceeds from Borrowings	1,012,000	(160,283)
Net Cash Used in Financing Activities	<u>1,012,000</u>	<u>(160,283)</u>
NET (DECREASE)/INCREASE IN CASH AND CASH EQUIVALENTS	(627,771)	(43,103)
OPENING CASH AND CASH EQUIVALENTS	1,751,099	1,794,202
CLOSING CASH AND CASH EQUIVALENTS	1,123,328	1,751,099

For and on behalf of the Board

Place: Mumbai
Date : 26.05.2014Dr.(Mrs.) Vandna Lalit Dangi - Managing Director
Mr. V. H. Pandya - Director
Mr. Nawal Agrawal - Director**AUDITORS' CERTIFICATE**

We have examined the attached Cash Flow Statement of Libord Finance Limited for the year ended 31st March, 2014. The statement has been prepared by the company in accordance with the requirements of the listing agreements with various stock exchange & is based on & in agreement with the Profit & Loss A/c & the Balance Sheet of the company covered by our report of even date to the members of the company.

For Amar Bafna & Associates
Chartered Accountants
FRN 114854WPlace: Mumbai
Date : 26.05.2014Amar Bafna
Partner
M.No. 048639

LIBORD FINANCE LIMITED

Corporate Identity Number : L65990MH1994PLC077482

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

Phone No: 22658108 / 09 / 10 Fax No: 22662520

Email ID: investorrelations@libord.com Website: www.libord.com

Please fill up this Attendance slip and hand it over at the entrance of the Meeting hall. Please also bring your copy of the enclosed annual report

ATTENDANCE SLIP

I hereby record my presence at the 20th Annual General Meeting of the Company held at 10 a.m. on Friday, 26th September, 2014 at 104, M. K. Bhavan, 300, Shahid Bhagat Singh Road, Fort Market, Fort, Mumbai - 400 001.

REGD. FOLIO NO. / CLIENT ID

NO. OF SHARES

Name of the Share holder (In block letters) _____

Note : Member / proxy who wish to attend the Meeting must bring this attendance slip to the Meeting and handover at the entrance at the Meeting hall duly signed.

LIBORD FINANCE LIMITED

Corporate Identity Number : L65990MH1994PLC077482

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

Phone No: 22658108 / 09 / 10 Fax No: 22662520 Email ID: investorrelations@libord.com Website: www.libord.com

PROXY FORM

Name of the Member(s) _____

Registered Address _____

E-mail ID _____

Folio No/DP ID - Client ID _____

I/We, being the Member (s) of _____ shares of the above named company, hereby appoint

1. Name : _____
Address : _____
E-mail Id : _____
Signature : _____ or failing him
2. Name : _____
Address : _____
E-mail Id : _____
Signature : _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 20th Annual General Meeting of the Company, to be held on Friday, the 26th September, 2014 at 10.00 AM at 104, M. K. Bhavan, 300, Shahid Bhagat Singh Road, Fort Market, Fort, Mumbai - 400 001 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	No. of shares	I / We assent to the Resolution (FOR)	I / We dissent to the Resolution (AGAINST)
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.			
Special Business:				
5	To appoint Mr. Romil Y. Choksey as an Independent Director			

Signed thisday of September, 2014

Signature of Shareholder

Signature of Proxy holder(s)

Affix
Rs. 1/-
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting

**STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956
RELATING TO SUBSIDIARY COMPANIES**

	NAME OF THE SUBSIDIARY COMPANY	LIBORD STOCK BROKERS PRIVATE LIMITED
1	The Financial year of the Subsidiary ended on	March 31, 2014
2	Shares of the Subsidiary held by the Company on the above date	
	a) Number and Face Value	310,000 Equity shares of Rs. 10/- each fully paid
	b) Extent of Holding	93.57%
3	Net aggregate amount of profit /(losses) of the Subsidiary for the above financial year of the subsidiary so far as they concern members of the Company :	
	a) dealt with in the accounts of the Company for the year ended March 31, 2014	NIL
	b) not dealt with in the accounts of the Company for the year ended March 31, 2014 (Rupees in Thouosand)	0.15
4	Net aggregate amount of profit /(losses) for the previous financial year of the Subsidiary, since it became a Subsidiary so far as they concern members of the Company.	
	a) dealt with in the accounts of the Company for the year ended March 31, 2013	NIL
	b) not dealt with in the accounts of the Company for the year ended March 31, 2013 (Rupees in Thousand)	(0.12)

Book-Post

If undelivered please return to :

LIBORD FINANCE LIMITED

(Formerly : Libord Infotech Limited)

104, M. K. Bhavan,
300, Shahid Bhagat Singh Road,
Fort, Mumbai.