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LIBORD FINANCE LIMITED

(FORMERLY : LIBORD INFOTECH LIMITED)



**18th
Annual Report
2011-2012**

If undelivered please return to :

LIBORD FINANCE LIMITED

(Formerly : Libord Infotech Limited)

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

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 : libord@vsnl.com

AUDITOR :
AMAR BAFNA & ASSOCIATES
CHARTERED ACCOUNTANTS

LIBORD FINANCE LIMITED
(Formerly LIBORDS INFOTECH LIMITED)
Registered Office : 104, M.K. Bhawan, 300, Shahid Bhagat Singh Road, Fort, Mumbai – 400 001

ANNUAL GENERAL MEETING FRIDAY 28TH SEPTEMBER, 2012**ATTENDANCE SLIP**

(To be handed over at the entrance of the Meeting Hall)

I certify that I am a Registered Shareholder/Proxy for the Registered Shareholder of the Company and hold _____ shares. I hereby record my presence at the Annual General Meeting being held at 41, Bajaj Bhavan, Nariman Point, Mumbai - 400021 on Friday, 28th September 2012 at 10.00 AM.

Name of the Member/Proxy in Block Letter

Member's Proxy's Signature

Registered Folio No. _____

Notes :

1. A member/Proxy wishing to attend the meeting must complete this Attendance Slip and hand it over at the entrance.
2. If you intend to appoint a proxy, please complete the proxy form below and deposit that the Company's Registered Office atleast 48 hours before the meeting.

----- TEAR HERE -----

LIBORD FINANCE LIMITED
(Formerly LIBORDS INFOTECH LIMITED)
Registered Office : 104, M.K. Bhawan, 300, Shahid Bhagat Singh Road, Fort, Mumbai – 400 001

ANNUAL GENERAL MEETING FRIDAY 28TH SEPTEMBER, 2012**P R O X Y F O R M**

I/We _____
of _____ in the district _____
being a member(s) of Libord Finance Limited hereby appoint _____ or failing
him/her _____ of _____
as proxy to attend and vote for me/us on my/our behalf at the Annual General Meeting of the Company's to
be held on Friday 28th September 2012 at 10.00 AM and at any adjournment thereof.

Signed this _____ day of _____ 2012

Signed _____

Affix
30 Paise
Revenue
Stamp

DIRECTORS

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

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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Note : The proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the Meeting. The proxy need not be a member of the Company.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	(Rupees) 2011-2012	(Rupees) 2010-2011
(A) CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit Before Tax & Extraordinary items	1,221,816	1,158,303
Adjustment for Preliminary Expenses Written Off	-	-
Depreciation	135,301	159,879
Depreciation Written Back	-	-
Interest Received	-	-
Interest (net)	-	-
Loss on sale of Assets	-	-
Profit on sale of Assets	-	-
Operating Profit Before Working Capital Changes	1,357,117	1,318,182
Adjustment for :		
Trade & Other Receivable	(324,227)	2,149,298
Loans & Advances	31,352	(4,098,609)
Trade Payable & short term provisions	(93,400)	420,126
Cash Generated from Operations	970,842	(211,003)
Interest	-	-
Tax Paid	388,180	250,148
Prior Period/Tax provision adjustments	-	-
Net Cash From Operating Activities	582,662	(461,151)
B. CASH FLOW FROM INVESTING ACTIVITIES :		
Purchases of Fixed Assets	11,130	119,860
Investments	307,842	1,976,238
Sale of Assets	-	-
Preliminary Expenses	-	-
Interest Received	-	-
Net Cash Used in Investing Activities	263,690	(2,557,249)
C. CASH FLOW FROM FINANCING ACTIVITIES :		
Share Application Money	-	-
Proceeding from Borrowings	(1,433,551)	750,500
Net Cash Used in Financing Activities	(1,169,861)	(1,806,749)
NET (DECREASE) / INCREASE IN CASH AND CASH EQUIVALENTS		
OPENING CASH AND CASH EQUIVALENTS	2,964,063	4,770,812
Cash & Bank Balances		
CLOSING CASH AND CASH EQUIVALENTS	1,794,202	2,964,063

For and on behalf of the Board

Place: Mumbai
Date : 28.06.2012Dr.(Mrs.) Vandna Lalit Dangi - Managing Director
Mr. V. H. Pandya - Director
Mr. Naval Agrawal - Director**AUDITORS' CERTIFICATE**

We have examined the attached Cash Flow Statement of Libord Finance Limited for the year ended 31st March, 2012. 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 : 28.06.2012Amar Bafna
Partner
M.No. 048639**NOTICE**

Notice is hereby given that the 18th Annual General Meeting of the Members of Libord Finance Ltd. will be held on Friday 28th September, 2012 at 10.00 a.m. at 41, Bajaj Bhavan, Nariman Point, Mumbai - 400 021, to transact the following business:

ORDINARY BUSINESS :

- To consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2012 and Profit and Loss account for the year ended on that date together with the Directors' Report and the Auditors' Report thereon.
- To appoint a director in place of Mr. Lalit Kumar Dangi who retires by rotation and being eligible, offers himself for reappointment.
- To appoint the Auditors and fix their remuneration.

SPECIAL BUSINESS :

- To consider and if thought fit, to pass with or without modification(s), the following Resolutions as an ordinary resolution.

"**RESOLVED THAT** pursuant to Section 198, 269, 309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act 1956, including any statutory modification or re-enactment thereof and subject to such approvals as may be necessary, the Company hereby approve the appointment and remuneration of Mrs. Vandna Lalit Dangi, Director of the Company as Managing Director of the Company for a period of 3 years with effect from 1st February, 2012 to 31st January, 2015 on following terms:

- Basic Salary Rs.1,00,000/- per month.
- Increment Not exceeding 7½ % of the Salary per year.
- Car Facility Car with services of a driver to be maintained by the Company for official use.
- Medical Reimbursement of actual Medical expenses incurred in India and or abroad for self, spouse and dependent children.
- Telephones Reimbursement of telephone expenses used for Company's work"

"**RESOLVED FURTHER THAT** in the event of any statutory amendment, modification or relaxation by the Central Government through Schedule XIII to the Companies Act, 1956, the Board of Directors of the Company be and is hereby authorized to vary or increase the remuneration including salary, perquisites, allowances etc. within such limit or ceiling as may be prescribed under such amendment, modification or relaxation and the agreement between Company and the Managing Director be suitably amended to give effect to such modification, relaxation or variation without any further reference to the Members of the Company in General Meeting."

Place : Mumbai
Date : 28.06.2012

For & on Behalf of Board

Registered office :
104- M. K. Bhawan
300, Shahid Bhagat Singh Road,
Fort, MumbaiDr.(Mrs.) Vandna Lalit Dangi
Managing Director**NOTE :-**

- 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.
- 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.
- The register of members of the Company and the Shares transfer books will remain closed from **26th September, 2012 to 27th September, 2012** (both days inclusive) in terms of the provisions of Section 154 of the Companies Act, 1956.
- Members may kindly communicate immediately any change in their address mentioning PIN CODE to the Company's address.
- Explanatory statement pursuant to section 173(2) of the Companies Act, 1956 in respect of special business set above to be transacted at the meeting is annexed hereto and forms part of this notice:**

APPOINTMENT OF MRS. VANDNA LALIT DANGI AS MANAGING DIRECTOR OF THE COMPANY

Dr. (Mrs.) Vandna Dangi is a Chartered Accountant, Management Graduate & Doctorate in Philosophy (Business Management). She has got wide range of experience in the field of Business & Financial Management . Her experience in the Financial & Management field will foster the growth in the Company.

Mr Lalit Kumar Dangi, Director is related to her.

DIRECTORS' REPORT

To the Members,

Libord Finance Limited

Your Directors have pleasure in presenting the 18th Annual Report along with the Audited Accounts of the Company for the year ended 31st March, 2012.

FINANCIAL PERFORMANCE

	2011-2012 (Rs. in Lacs)	2010-2011 (Rs. in Lacs)
Gross Income	90.55	80.12
Gross Profit before depreciation & Provision for Taxation	13.57	13.17
Depreciation	1.35	1.60
Provision for taxation & FBT	3.50	3.00
Provisions written back		(0.50)
Profit after taxation (PAT)	8.95	8.58
Balance brought forward from Previous Years	(72.17)	(80.75)
Balance carried to Balance sheet	(63.21)	(72.17)

REVIEW OF OPERATIONS

The income from operation during the year was Rs.90.55 Lakhs (Previous Year 80.12 Lacs)

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

Mr. Lalit Kumar Dangi retires by rotation as director. He has offered himself for reappointment being eligible for the same.

Mr. Lalit Kumar Dangi resigned as the Managing Director with effect from 16th January, 2012

Mrs Vandna Lalit Dangi was appointed as a Director with effect from 24th June, 2011. She was appointed as the Managing Director with effect from 1st February, 2012

Mr. N. G. Deshpande has resigned due to his health & his resignation was accepted in the Board Meeting held on 24.6.2011. The Board appreciated the services rendered by Mr. N.G. Deshpande.

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, 2012, 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, 2012 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 27.04.2011, 26.07.2011, 25.10.2011 & 12.01.2012. 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	Member	4
Mr. Lalit Kumar Dangi	Chairman	4
Mr. Nawal Agrawal	Member	4

AUDITORS

M/s. Amar Bafna & Associates, Chartered Accountants have shown their willingness for the re-appointment.

Your Directors recommend the appointment of M/s. Amar Bafna & Associates, Chartered Accountants as the auditors for the Company from the conclusion of ensuing Annual General Meeting upto the conclusion of the next Annual General Meeting.

The Notes on accounts referred to in the Auditor's Report are self-explanatory and therefore do not call for any further explanation.

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: 28.06.2012

Dr.(Mrs.) Vandna Lalit Dangi
Managing Director

29 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	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
A. Volume of Transactions								
Expenses.	--	--	--	--	--	--	--	--
Loan taken / (repaid)		-	7212000	-	-	-	7212000	-
Remuneration to key management personnel	-	-	-	-	1355000	1380000	1355000	1380000
B. Balance at the end of the period								
Investment in Equity								
Libord Securities Ltd.	--	--	50,00,000	50,00,000	--	--	50,00,000	50,00,000

30 The company is required to furnish the list of outstanding to Small Scale Industrial undertakings under the head Current Liabilities. The Company had requested the vendors to furnish the information with SSI Registration Number. Due to non receipt of feedback from Vendors the company is unable to provide such information in its accounts.

31 The balances of certain Trade Receivables/ Payables/ Short term loans and advances are subject to confirmation and reconciliation thereof, if any.

33 Previous year figures have been regrouped / rearranged wherever necessary / possible.

As per our attached report of even date

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

AMAR BAFNA
PARTNER
M.NO. 048639

For and on behalf of the board

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

Mr. V.H. Pandya - Director

Mr. Naval Agrawal - Director

Place: Mumbai

Date : 28th June, 2012

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I. Registration Details :

Registration No.	77482	State Code	11
Balance Sheet Date	31.03.2012		

II. Capital Raised during the year (Amount in Rs. Thousand) :

Public Issue	Nil	Right Issue	Nil
Bonus Issue	Nil	Private Issue	Nil

III. Position of Mobilisation and Deployment of Funds:

(Amount in Rs. Thousand)			
Total Liabilities	1,210	Total Assets	74,984
Sources of Funds			
Paid-up Capital	80,000	Reserves & Surplus	-
Share Application Money	-	Unsecured Loans	-
Secured Loans	-	Deferred Tax Liabilities	94
Application of Funds			
Net Fixed Assets	1,331	Investments	1,243
Net Current Assets	60,003	Misc. Expenditure	-
Accumulated Losses	6,321		

IV. Performance of Company (Amount in Rs.):

Turnover/ Gross income	9,055	Total Expenditure	7,833
Profit/(Loss) Before Tax	1,221	Profit/(Loss) After Tax	326
Earning per Share in Rs.	0.11	Dividend Rate (%)	-

V. Generic Names of Three Principal Services of the Company:

(As per monetary terms)	
Item Code No.	Not Applicable
Service Discription	Consultancy
Item Code No.	Not Applicable
Service Discription	Trading

Place: Mumbai
Date : 28.06.2012

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

(Currency : Indian rupees)
March 31, 2012

	March 31, 2012	March 31, 2011
18 ADMINISTRATIVE AND OTHER EXPENSES		
Power & Electricity	78,969	98,438
Insurance	34,533	37,066
Director Sitting Fees	110,000	110,000
Membership & Subscription	12,000	6,215
Repairs and Maintenance	22,807	55,020
Payment to Auditors	53,946	46,500
Advertising Expenses	544,820	111,649
Conveyance	317,516	267,363
Legal & Professional Charges	617,660	572,300
Listing/Delisting Fees	25,000	166,000
Fees & Taxes	6,000	2,000
Postage & Telephone	126,493	127,584
Printing & Stationery	145,633	142,173
Sundry Expenses	44,941	25,266
Business Promotion Expenses	277,422	111,823
Travelling expenses	440,681	398,425
Registrar & Share Transfer Expenses	46,999	55,723
Software Expenses	21,200	15,550
Motor car Expenses	149,712	117,601
Books & Periodicals	20,063	20,864
Lease charges	434,004	433,780
Donation	-	61,000
	3,530,399	2,982,340
19 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	895,708	858,175
Weighted average no. of shares for basic and diluted EPS	8,000,000	8,000,000
Earning per share basic / diluted	0.11	0.11
20 CONTINGENT LIABILITIES		
Corporate Guarantees given to financial Institutions against credit facilities extended to other bodies corporate	800,000	800,000
21 AUDITORS REMUNERATION		
Audit Fees	40,000	40,000
Tax Audit Fees	6,500	6,500
Other matters	7,446	4,790
	53,946	51,290
22		
Loans and advances includes Rs 17,50,000 as an advance against purchase of immovable properties. The Company doesn't have the documents in relation to those properties other than the receipts. The Company has taken necessary steps including filing of cases. The management is quite confident about the recovery of the said dues and accordingly no provision for doubtful debts has been considered necessary by the management.		
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 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 - Associates		
Vikramaditya Trading Limited		
Libord Securities Limited		
Libord Consultants Limited		
Libord Export Pvt. Limited		
Neha System Service Pvt Limited		
c) Key Management Personnel		
Lalit Dangi		
Vandna Lalit Dangi		

CORPORATE GOVERNANCE REPORT – 2011 – 12

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 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 2012, the Board of Directors of your Company consisted of four directors.

(a) The Composition of Board of Directors as at 31.03.2012 was as follows:

Sr. No.	Name	No. of Outside Directorships held	No. of Membership in Committee of Board
1	Mr. V. H. Pandya	4	1
2	Mr. Lalit Dangi	9	2
3	Mr. Nawal Agrawal	7	3
4	Dr. (Mrs.) Vandna Dangi	6	2

(b) Details of Board meeting held during the year 2011 – 12.

Dates of meeting

27.04.2011
24.06.2011
26.07.2011
25.10.2011
12.01.2012
30.01.2012

(c) Attendance record of the Directors at the Board meetings held during the financial year 2011 - 12 and the last AGM held on 29th September, 2011

Name	No. of Board meeting attended	Whether last Annual General meeting Attended
Shri V. H. Pandya	5	NO
Shri N. G. Deshpande	1	NO
Shri Lalit Dangi	6	YES
Shri Nawal Agrawal	6	YES
Dr. (Mrs.) Vandna Dangi	5	YES

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 31.03.2012 the Audit committee consisted of 3 Directors - Shri Lalit Kumar Dangi, Shri V H Pandya & Shri Nawal Agrawal. Mr. Lalit Dangi acts as the Chairman of the Committee. During the year the committee met four times held on 27.04.2011, 26.07.2011, 25.10.2011 & 12.01.2012.

Audit committee attendance during 2011 – 12.

Sr. No.	Name of the Audit Committee Member	No. of Meetings Attended
1	Shri Lalit Dangi	4
2	Shri Nawal Agrawal	4
3	Shri V.H Pandya	4

III. Remuneration Committee

Remuneration committee is constituted. Mr. Lalit 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 & Shri 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 thirteen times.

(b) Transfer Committee: Dr.(Mrs.) Vandna Lalit 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 around 12523 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	2011 - 2012	2010 - 2011
Number of meetings for transfer of shares	13	21
Average number of shares transferred per month	9484	2576
Number of shares transferred	123300	54080

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

Particulars	NSDL		CDSL	
	2011-12	2010-11	2011-12	2010-11
Number of Demat transfers Approved	133600	110280	3600	9400
Number of Sub Committee meeting held	35	41	35	41
Number of shares demated	133600	110280	3600	9400
Number of Remat requests approved	NIL	NIL	NIL	NIL
Number of shares Rematted	--	--	--	--

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

During the year 2011-12 & 2010-11, 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
29.09.2009	Registered Office	10.00 AM
27.09.2010	Registered Office	10.00 AM
29.09.2011	Registered 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 Exchanges. The same are published within 48 hours, in the newspapers namely the Free Press Journal and Nava Shakti. The Company also issues news releases on significant Corporate decisions and activities.

VIII. GENERAL INFORMATION TO SHAREHOLDERS

(a) Number of AGM	18th
Day & time	28 th September 2012 at 10.00 a.m.
Venue	41, Bajaj Bhavan, Nariman Point, Mumbai - 400 021
Book Closure	26th September, 2012 to 27th September, 2012
Proposal 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 2011 - 12.

(c) Code Number:

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

(Currency : Indian rupees)

	March 31, 2012	March 31, 2011
10 TRADE RECEIVABLES (considered good unless otherwise stated)		
Outstanding for more than six months	6,187,302	5,265,240
Others	436,518	1,034,353
	6,623,820	6,299,593
11 CASH AND BANK BALANCES		
Cash on hand	607,976	475,380
Balances with scheduled banks		
- in current accounts	386,226	371,920
- in fixed deposit accounts	800,000	2,116,763
	1,794,202	2,964,063
12 LOANS AND ADVANCES (unsecured, considered good unless otherwise stated)		
Advances recoverable in cash or in kind	46,118,066	45,442,148
interest accrued on fixed deposits	55,229	297,435
Tax deducted at source	1,607,431	2,072,495
Deposits	5,014,380	5,014,380
	52,795,106	52,826,458
13 REVENUE FROM OPERATIONS		
Income from Operations		
Interest	1,733,784	1,541,939
Interest on Income Tax Refund	98,771	-
Consultancy Charges	7,200,000	6,256,532
Revenue from operations (net)	9,032,555	7,798,471
14 OTHER INCOME		
Dividend	7,000	2,267
Other Misc Income	16,050	182,676
Short term Capital Gain	-	28,804
	23,050	213,747
15 EMPLOYEE BENEFIT EXPENSES		
Salaries and Wages	2,313,748	1,775,819
Staff Welfare	403,180	454,621
Directors Remuneration	1,355,000	1,380,000
	4,071,928	3,610,440
16 FINANCE COSTS		
Bank Charges/ Commission	3,538	15,054
Bank Interest	92623	86,202
	96,161	101,256
17 DEPRECIATION AND AMORTIZATION EXPENSE		
Depreciation of Tangible assets	135,301	159,879
	135,301	159,879

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

(Currency : Indian rupees)

7 SHORT TERM PROVISIONS

	March 31, 2012	March 31, 2011
Income Tax	350,000	300,000
Gratuity Payable	194,203	194,203
	544,203	494,203

8 TANGIBLE ASSETS

Amount in Rs.

DESCRIPTIONS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	COST AS AT	ADDITIONS	DEDUCTION	AS AT	ADDITIONS	DEDUCTIONS	AS AT	W. D. V.	
	01.04.2011	DURING THE	DURING THE	AS AT	FOR THE		31.03.2012	AS AT	
	YEAR	YEAR	31.03.2012		YEAR			AS AT	
								31.03.2012	31.03.2011
Vehicles	1,270,416	-	-	1,270,416	126,972	63,486	-	190,458	1,079,958
Furniture	545,771	5,030	-	550,801	536,914	8,856	-	545,770	5,031
Data Processing Equipments	2,092,829	-	-	2,092,829	1,823,280	53,311	-	1,876,591	216,238
Office Equipment	196,146	6,100	-	202,246	157,026	9,648	-	166,674	35,572
SUB TOTAL									
TOTAL	4,105,162	11,130	-	4,116,292	2,644,192	135,301	-	2,779,493	1,336,799
Previous Year	3,985,302	119,860	-	4,105,162	2,484,313	159,879	-	2,644,192	1,460,970

9 NON-CURRENT INVESTMENTS (TRADE - AT COST)

	FACE VALUE	No. of Shares	March 31, 2012 Amount (INR)	No. of Shares	March 31, 2011 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 lectronics 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	-	-
			13,121,223		12,813,381
Less : Provision for diminution in the value of investments					
			1,686,841		1,686,841
			11,434,382		11,126,540
Investment in equity instruments (Unquoted)					
Shilpa Filaments Pvt. Ltd.	10	100,000	1,000,000	100,000	1,000,000
			12,434,382		12,126,540
Aggregate Cost of Quoted Investments			13,121,223		12,813,381
Aggregate Market Value of Quoted Investments			4,543,147		8,899,815

(d) Details of shares Price movement in the BSE Mumbai from 1st April 2011 to 31st March 2012 are as follows:

Month	The Bombay Stock Exchange (In Rupees)	
	High	Low
April, 2011	8.30	8.25
May, 2011	7.48	7.10
June, 2011	7.10	5.80
July, 2011	6.00	6.00
August, 2011	6.00	6.00
September, 2011	6.00	6.00
October, 2011	-	-
November, 2011	6.00	5.71
December, 2011	-	-
January, 2012	5.43	4.91
February, 2012	5.51	4.55
March, 2012	6.93	5.55

(e) Registrar & Transfer Agent.
Sharex Dynamic (India) Ltd. - Unit No. 1, Luthra Industrial Premises, Safed Pool, Andheri Kural Road, Andheri (East), Mumbai - 400 072.

(f) Distribution of shares as on 31.03.2012

Shareholding of Nominal values	No. of shareholders	% of Holders	Total	% of Amount
Upto 5000	11524	92.02	17267730.00	21.58
5001 - 10000	588	4.70	4941530.00	6.18
10001 - 20000	222	1.77	3335600.00	4.17
20001 - 30000	78	.62	1941150.00	2.43
30001 - 40000	31	.25	1119790.00	1.40
40001 - 50000	23	.18	1087380.00	1.36
50001 - 100000	28	.22	2084260.00	2.61
100001 & above	29	.23	48222560.00	60.28
Total	12523	100.00	80000000.00	100.00

(g) Shareholdings Pattern as on 31.03.2012

Category	No of shares held	Percentage of shareholding
A Promoters Holding		
1. Promoters		
- Indian Promoters	42,86,479	53.581
- Foreign Promoters	-	-
2. Persons acting in concert #	-	-
Sub-Total	42,86,479	53.581
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	1,83,496	2.294
B Indian Public	34,34,693	42.933
C NRIs OCBs	91,775	1.148
D Any other (Please Specify) Clearing Member	3557	0.044
Sub-Total	37,13,521	46.419
Grand Total	80,00,000	100.00

(h) Dematerialization of shares & liquidity: -
61,49,900 Shares have been dematerialized as on 31.03.2012.

(i) The Company has not issued any GDR / ADR / Convertible instruments.

(j) 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: libord@vsnl.com

On behalf of the Board of Directors

Place: Mumbai
Date: 28.06.2012Dr. (Mrs.) Vandna Lalit Dangi
Managing Director

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 year the general economic and business environment was marked with uncertainty and fluctuations in the World Economy. The Indian Economy being an important constituent of the Global Village of the 21st century could not have remained insulated for long despite strong financial and institutional structure that sustained and absorbed the aftershocks of the Global Recession of 2008. Particularly, the slow rate of Growth of the US Economy, the Euro Zone crisis worsened after every attempt to bail the affected economies out of doom like situations, the Geo political upheaval in the Middle East which led to shooting up the Crude Oil Prices have all contributed to deceleration in the rate of growth of the World Economy.

At the domestic front also the Indian Economy faced the problem of Inflation due to both the demand and supply side pressures which forced the Reserve Bank go for increase in the Policy Rates several times and worked as a deterrent in for any substantial reduction therein despite the high interest rates contributing to further increase in prices of goods and services and reduction of corporate margins.

To add to the woes of the Indian Economy, the Rupee's Exchange Value depreciated by about 20 percent. This led to imported inflation on one hand and nullified the advantage of reduction in the price of Crude Oil in the international markets on the other. The high interest rates and the sluggishness in international demand adversely affected the rate at which the exports could grow. Also there was lack of stability and delays in the policy related issues at the Macro Level that hurt the investment sentiment of not only the domestic players but also the Foreign Investors.

Hence, there has been a drop in the rate of growth both at the Micro and Macro Levels. There has been a decrease in corporate profits, valuation of several companies has reduced, Merger and Acquisition activity has slowed down and the new projects just are not being set up as fast as they normally would. In such a gloomy environment, your company has achieved 13 % increase in turnover. 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 Monetary Easing along with decrease in the crude oil prices, the Indian Economy is looking poised for a turnaround in the year 2012-13. 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.

On behalf of the Board of Directors

Place: Mumbai
Date : 28.06.2012

Dr. (Mrs) Vandna Lalit Dangi
Managing Director

CERTIFICATE

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, 2012 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 Agreement.

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 : 28.06.2012

Amar Bafna
Partner
M. No. 048639

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

(Currency : Indian rupees)

	March 31, 2012	March 31, 2011
2 SHARE CAPITAL		
Authorized		
90,00,000 (2011- 90,00,000) equity shares of par value of Rs. 10 each	90,000,000	90,000,000
	<u>90,000,000</u>	<u>90,000,000</u>
Issued, subscribed and paid-up		
80,00,000 (2011- 80,00,000) equity shares of par value of Rs. 10 each, fully paid-up	80,000,000	80,000,000
	<u>80,000,000</u>	<u>80,000,000</u>
(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 (2011- 80,00,000)	80,000,000	80,000,000
Issued during the period- Nil (2011- Nil)	-	-
Outstanding at the end of the period, nos. 80,00,000 (2011- 80,00,000)	80,000,000	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	No. of shares
	Percentage	Percentage
Lalit Kumar Dangi	1087836 13.60%	974636 12.18%
Vandana Dangi	762335 9.53%	762335 9.53%
Libord Exports Pvt Ltd	1562128 19.53%	1515265 18.94%
Libord Consultants Ltd	785500 9.82%	785500 9.82%
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	(7,216,999)	(8,075,174)
Profit (loss) for the year	895,708	858,175
Net surplus in the statement of profit and loss	<u>(6,321,291)</u>	<u>(7,216,999)</u>
Total reserves and surplus	<u>(6,321,291)</u>	<u>(7,216,999)</u>
4 DEFERRED TAX LIABILITY (NET)		
The components of deferred tax balance are as follows:		
<i>Deferred tax asset</i>		
<i>Deferred tax liability</i>		
Difference between book depreciation and depreciation under the Income tax Act, 1961	94,794	156,866
	<u>94,794</u>	<u>156,866</u>
5 SHORT TERM BORROWINGS		
Unsecured Loans	-	-
	160,283	1,593,834
	<u>160,283</u>	<u>1,593,834</u>
6 TRADE PAYABLES		
For goods, Services & expenses	506,320	649,720
	-	-
	<u>506,320</u>	<u>649,720</u>

NOTES FORMING PART OF FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH 2012

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:

a) Valuation of Investments:

- 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 lower of the cost or market/fair value.

b) Valuation of Stock-in-Trade:

- i) Foreign currency is valued at the conversion rate as on 31st March every year.
- ii) Stock of shares and securities is valued at lower of the cost or market/fair value.

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, fringe benefit tax (FBT) 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. Provision for FBT is made on the fringe benefits provided/ deemed to have been provided during the year at the rates and values 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. Translations of Foreign currency items:

Translations in foreign currency are recorded at the rate of exchange in force at the date of transactions. Foreign currency assets and liabilities are stated at the rate of exchange prevailing at the year end and resultant gains/losses are recognised in the profit and loss account.

11. Miscellaneous expenditure:

- a) Preliminary expenses, public issue expenses and expenses for increasing the Authorised Capital are written off over a period of five years.
- b) Deferred Revenue Expenditure is being written off over a period of five years.

AUDITORS' REPORT

To

The Members of

LIBORD FINANCE LIMITED

(formerly known as Libord infotech Limited)

1. We have audited the attached Balance Sheet of Libord Finance Limited (formerly known as Libord Infotech Limited) as at 31st March, 2012, annexed Profit and Loss Account & Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) Order, (Amendment) 2004, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 (hereinafter referred to as "the Act") and on the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order, to the extent applicable to the Company.
4. Further to our comments in the Annexure referred to in paragraph 3 above 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 purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of such books;
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet the Profit and Loss Account and Cash Flow Statement dealt with by this report comply in all material respects with the mandatory Accounting Standards as prescribed under the provisions of section 211(3C) of the Act, to the extent applicable;
 - e) On the basis of the written confirmations received from the Directors as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors are disqualified from being appointed as director of the Company under section 274 (1)(g) of the Act;
 - f) We are unable to express an opinion as to the realisability/ recoverability of amount paid as an advance for purchase of immovable properties amounting to Rs. 17,50,000/- paid in earlier years for which company does not have any documents except receipts, considered to be doubtful and not provided for (Refer Note no. 22).
5. In our opinion and to the best of our information and according to the explanations given to us, and subject to what is stated in paragraph (f) above, the impact thereof on the profit and assets of the Company is presently not ascertainable, the said accounts read together with the notes appearing in the 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 :
 - (i) In the case of the Balance Sheet, of state of affairs of the Company as at 31st March, 2012 and
 - (ii) In the case of the Profit and Loss Account, of the "Profit" of the Company for the year ended on that date.
 - (iii) in the case of the Cash Flow Statements of the cash flows of the Company for the year ended on that date.

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

AMAR BAFNA
PARTNER
M. No. 048639

Place: Mumbai
 Date: 28th June, 2012

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 1 of our report of even date)

1. (a) The Company has maintained its records showing full particulars including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year at reasonable intervals.
- (c) None of the assets was disposed off during the year.
2. Physical verification has been conducted by the management at reasonable intervals in respect of investments and securities and no discrepancies were noticed between physical and book stock.
3. (a) The Company has granted interest free loans to One Party amounting to Rs 72,12,0000 (year end balance) listed in the register maintained under section 301 of the Act and under the same management as defined under section 370(B) of the Act.
- (b) The other terms and conditions are not prima facie prejudicial to the interest of the Company.
- (c) The Company has not taken any unsecured loans from the Company listed in the register maintained under section 301 of the Act and under the same management as defined under section 370(1B) of the Act.
- (d) Since the company has not taken any loans to the parties under Section 301 of the act, hence the question of interest and other conditions does not arise.
- (e) The payment of the principal amount and interest are also regular wherever applicable.
4. In our opinion and according to the information and explanation given to us, there are adequate internal control systems commensurate with the size of the company and the nature of its business. During the process of our audit, no major weakness has been noticed in the internal control systems.
5. Based on the audit procedures applied by us and according to the information and explanations provided by the management, there are no transaction during the year that need to be entered in the register in pursuance of section 301 of the Act.
6. In our opinion and according to the information and explanation given to us, the Company has not taken or accepted any deposits from the public, therefore provisions of section 58A and 58AA of the Companies Act are not applicable to the Company.
7. The Company does not have any formal internal audit system.
8. According to the information and explanation given to us, the Central Government has not prescribed the maintenance of cost records required u/s 209(1) (d) of the Companies Act, 1956.
9. (a) According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees state insurance, income tax, sales tax, wealth tax custom duty, excise duty cess and other statutory dues applicable to it.
- (b) According to the explanations given to us, there were no undisputed amounts payable in respect of such statutory dues, which have remained outstanding as at 31st March 2012 for a period of more than six months from the date became payable.
- (c) According to information and explanations given to us, there are no amount pending on account of disputes with any statutory authorities.
10. The Company does not have accumulated losses more than 50% of the net worth and therefore, this clause is not applicable to the company.
11. According to the information and explanation given to us, the Company has not defaulted in repayment of dues to the banks.
12. Based on our examinations of the records and information and explanations given to us, the Company has not granted any loans/advances on the basis of security by way of pledge of shares/ debentures or any other securities.
13. The Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of this clause are not applicable to the Company.
14. According to the information and explanations given to us, proper records have been maintained by the Company of the transaction and records in respect of dealing in shares, securities and other investments.
15. The Company has not given any counter guarantee for the loans taken by others.
16. The Company has not taken term loan during the year and therefore, this clause is not applicable to the Company.
17. 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.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained u/s 301 of the Act.
19. No debentures has been issued by the Company during the year.
20. The Company has not raised money through public issues during the year.
21. Based on the audit procedures performed and according to the information and explanations 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: 28th June, 2012

BALANCE SHEET AS AT 31ST MARCH 2012

	NOTES	AS AT 31.03.2012 Rupees	AS AT 31.03.2011 Rupees
Equity and Liabilities			
Shareholders' funds			
Share capital	2	80,000,000	80,000,000
Reserves and surplus	3	(6,321,291)	(7,216,999)
		<u>73,678,709</u>	<u>72,783,001</u>
Non-current liabilities			
Deferred tax liability	4	94,794	156,866
		<u>94,794</u>	<u>156,866</u>
Current liabilities			
Short term borrowings	5	160,283	1,593,834
Trade payables	6	506,320	649,720
Short term provisions	7	544,203	494,203
		<u>1,210,806</u>	<u>2,737,757</u>
		<u>74,984,309</u>	<u>75,677,624</u>
Assets			
Non-current assets			
Fixed assets			
Tangible assets	8	1,336,799	1,460,970
		<u>1,336,799</u>	<u>1,460,970</u>
Non-current investments	9	12,434,382	12,126,540
Current assets			
Trade receivables	10	6,623,820	6,299,593
Cash and bank balances	11	1,794,202	2,964,063
Short-term loans and advances	12	52,795,106	52,826,458
		<u>61,213,128</u>	<u>62,090,114</u>
		<u>74,984,309</u>	<u>75,677,624</u>
Summary of significant accounting policies	1	0	0

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. Naval Agrawal Director

Amar Bafna
Partner
M.No.048639

Place : Mumbai
Date : 28.06.2012

Place : Mumbai
Date : 28.06.2012

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

	NOTES	FOR THE YEAR ENDED 31.03.2012 Rupees	FOR THE YEAR ENDED 31.03.2011 Rupees
INCOME			
Revenue from operations	13	9,032,555	7,798,471
Other income	14	23,050	213,747
Total revenue		<u>9,055,605</u>	<u>8,012,218</u>
EXPENSES			
Employee benefits expense	15	4,071,928	3,610,440
Finance cost	16	96,161	101,256
Depreciation and amortization expense	17	135,301	159,879
Administrative and other expenses	18	3,530,399	2,982,340
Total expenses		<u>7,833,789</u>	<u>6,853,915</u>
Profit (Loss) before tax		<u>1,221,816</u>	<u>1,158,303</u>
Tax expense			
Deferred tax		(62,072)	49,980
Current tax		350,000	300,000
Earlier years		38,180	(49,852)
Total tax expense		<u>326,108</u>	<u>300,128</u>
Profit (Loss) after tax from continuing operations		<u>895,708</u>	<u>858,175</u>
Earnings per equity share	19		
Basic & Diluted		0.11	0.11
Summary of significant accounting policies	1		

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

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