



Ladderup
Engineering Growth

Ladderup Finance Limited

16th
Annual Report
2008-2009

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BOARD OF DIRECTORS

- : Shri T.B. Subramaniam (Chairman)
- : Shri K.V.S. ShyamSunder
- : Shri Sunil Goyal (Managing Director)
- : Shri Manoj Singrodia
- : Shri K.M. Tulsian
- : Shri Burzin Somandy
- : Shri Dhaval Desai
- : Shri Hemang Jangla
- : Shri Parimal Sheth (Executive Director & CEO)
- : Shri Rajesh Murarka (Executive Director & CFO)
- : Kum Puja Mehta (Company Secretary)

REGISTERED OFFICE

- : A-204, Rajeshri Accord, Telly Cross Lane,
Off S.N. Road, Andheri (East),
Mumbai – 400 069

CORPORATE OFFICE

- : 104, 10th Floor, A-Wing, Mittal Court,
Nariman Point, Mumbai – 400 021

BANKERS

- : Axis Bank
- : Bank of Maharashtra
- : Dhanalaxmi Bank Limited

AUDITORS

- : M/s. Khurdia Jain & Co.,
Chartered Accountants,
Mumbai

**REGISTRAR AND SHARE
TRANSFER AGENTS**

- : Sharex Dynamic (India) Private Limited
Unit 1, Luthra Industrial Premises, Safed Pool,
Andheri Kurla Road, Andheri(East),
Mumbai – 400 072.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the **16th Annual General Meeting** of the members of **Ladderup Finance Limited** will be held on Wednesday, the **9th day of September, 2009** at **10 a.m.** at **Hotel Suba Galaxy, N.S. Phadke Road, Off Western Express Highway, Andheri(E), Mumbai-4000 069** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited balance sheet as at 31st March, 2009; the Profit & Loss Account and Cash Flow Statement for the year ended 31st March, 2009 and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of **Shri T.B. Subramaniam** who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of **Shri Dhaval Desai** who retires by rotation and being eligible offers himself for re-appointment.
4. To consider the proposal of **Shri Hemang Jangla**, Director who retires by rotation but does not offer himself for re-appointment.
5. To appoint **M/s Khurdia Jain & Co.**, Chartered Accountants, Mumbai, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting, until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS:

6. To consider and if thought fit to pass, with or without modifications, the following resolution as **Special Resolution**:

"RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309, 310 and 314 Schedule XIII and any other applicable provisions, if any, of the Companies Act, 1956; (including any statutory modification(s) or re-enactment(s) thereof for the time being & force), (hereinafter referred to as 'the said Act') the consent of shareholders be and is hereby accorded to variation in the managerial remuneration of **Shri Rajesh Murarka**, Executive Director and CFO with effect from 1st April, 2009 on such terms and conditions as recommended by the Remuneration Committee and approved by the Board."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to vary/ revise the aforesaid remuneration from time to time within limits of Schedule XIII of the Companies Act, 1956 and is also authorised to take necessary steps for implementing the aforesaid resolution."

Date : 29th July, 2009
Place : Mumbai
Regd. Office : A-204 Rajeshri Accord,
Telly Cross Lane, Off S.N. Road,
Andheri (E),
Mumbai – 400 069.

For and on behalf of the Board

Puja Mehta
Company Secretary

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint ONE OR MORE proxy to attend and vote instead of himself and a proxy need not be a member of the Company.
2. The proxies, in order to be effective should be deposited with the Company not less than 48 hours before the time fixed for the commencement of the meeting.
3. Explanatory Statement with respect to Item No. 6 is annexed and forms part of the Notice.
4. The Register of Members and Share Transfer Register shall remain closed from 2nd September, 2009 to 9th September, 2009 (both days inclusive).
5. The Company has appointed SEBI approved Registrar and Share Transfer Agents M/s. Sharex Dynamic (India) Private Limited having their office at Unit 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai – 400072. Members are requested to send all communication such as relating to change of address, transfer/ demat of shares etc. to M/s. Sharex Dynamic (India) Private Limited.
6. The shares of the Company are in Demat category for all the investors. In view of this and also to ensure better services, we request those shareholders who are yet to dematerialize their shares to do so at the earliest.
7. Corporate Members are requested to send a duly certified copy of the Board resolution/Power of Attorney authorizing their representative to attend and vote at the Annual General Meeting.
8. Members/Proxies are requested to bring their attendance slips along with the copies of the Annual Report to the Meeting.
9. Members having any queries in relation to the accounts are requested to send them atleast ten days in advance to enable the Company to collect the relevant information
10. Members may note that no gifts/gift coupons shall be distributed at the meeting.

For and on Behalf of the Board

Date : 29th July, 2009
Place : Mumbai
Regd. Office : A-204 Rajeshri Accord
Telly Cross Lane, Off S.N. Road,
Andheri (E),
Mumbai – 400 069

Puja Mehta
Company Secretary

Explanatory Statement as required by section 173(2) of the Companies Act, 1956

Item No. 6

Shri Rajesh Murarka was appointed as an Executive Director of the Company w.e.f. 25th April, 2005. Shri Rajesh Murarka has been instrumental in sustained growth of the Company and diversification of business activities in other business segments. Considering his contribution to the Company, the Board in their meeting held on 29th July, 2009 proposed to increase his remuneration subject to approval of the shareholders. The said remuneration is already approved by the Remuneration Committee Meeting held on 29th July, 2009.

The major terms and conditions of his revised remuneration are as per following:

I) Terms and Conditions:

- | | | |
|----|--------------------------------|---|
| 1. | Name & Designation of Director | Shri Rajesh Murarka, Executive Director & CFO. |
| 2. | Variations in remuneration | w.e.f. from 1 st April, 2009 to remaining tenure of his appointment. |
| 3. | Salary per month | Rs. 1,25,000/- p.m. including perquisites with powers to the Board to vary from time to time within the limits of Schedule XIII of the Companies Act, 1956. |
| 4. | Other perquisites | Provision of chauffeur driven car for official use. |
- a) Salary specified herein shall be payable to Shri Rajesh Murarka notwithstanding the inadequacy or no profits in any financial year during the currency of tenure of his office as such.
- b) Shri Rajesh Murarka shall not be paid any sitting fees for attending the meeting of the Board of Directors or Committees thereof.
- c) Shri Rajesh Murarka shall not become interested or otherwise concerned directly or through his wife or children, in any business, which is in conflict with the business of the Company.
- d) The terms and conditions of the said appointment and / or may be altered and varied from time to time by the Board as it may, in its discretion, deem fit subject to the limits specified in Schedule XIII, the Companies Act, 1956, or any amendment hereafter in that regard.

None of the Directors of the Company, except Shri Rajesh Murarka, are considered to be interested or concerned in this resolution.

The terms and conditions of the variation in managerial remuneration are open for inspection at the Registered Office of the Company during office hours from 10.00 a.m. to 12.00 p.m. from 2nd September, 2009 till the date of the Annual General Meeting.

For and on Behalf of the Board

Date : 29th July, 2009
Place : Mumbai
Regd. Office : A-204 Rajeshri Accord
Telly Cross Lane, Off S.N. Road,
Andheri (E),
Mumbai – 400 069

Puja Mehta
Company Secretary

DIRECTORS' REPORT

To,

The Members,

Your Directors have pleasure in presenting the 16th Annual Report of the Company together with the Audited Statements of the Accounts for the year ended 31st March, 2009.

1. FINANCIAL RESULTS:

Amount (in Lacs)

	2008 - 2009	2007- 2008	2008- 2009
	Standalone		Consolidated
Operational and Other Income	224.77	124.94	765.78
Profit before Depreciation & Tax	69.34	68.66	280.24
Less: Depreciation	4.62	4.70	15.55
Profit before tax	64.72	63.96	264.69
Less: Provision for taxation	4.50	11.02	95.00
Less: Provisions for Fringe Benefits Tax	0.40	0.35	2.78
Less/(Add): Deferred tax for the year	(0.30)	(0.47)	(0.10)
Profit for the year	60.12	53.06	167.01

2. PERFORMANCE:

While countries, economies and industries reeled under the impact of recession, we continued to climb the growth trajectory. With significant growth in the business activities of your Company on consolidated level, the Company has earned revenue of Rs. 765.78 Lacs during the financial year 2008–2009 demonstrating an admirable growth of 46.23% over the previous year. The consolidated net profit of your Company for the year 2008-2009 is Rs. 167.01 Lacs.

On standalone basis, the Company has earned a net profit of Rs. 60.12 Lacs. This profit generation was through investment and an appropriate asset-liability management. This performance was against the backdrop of the economic slowdown not only in India but across the globe, coupled with uncertainty around its depth and duration. During the year, the Company has also invested in growth equities of young and start-up SME's by providing seed funding to these companies. The Company expects to earn good returns from these investments in times to come.

The Company is continuously expanding its business through its subsidiaries, which will further improve margins in the coming years. One of the Company's subsidiary i.e. Ladderup Corporate Advisory Private Limited achieved fees-based revenue of Rs. 655 Lacs for the financial year ended 2008-09 through investment banking activities with focus on big ticket debt syndications, private equity, M&A's, IPO advisory, corporate restructuring and other advisory services. The Company earned a net profit of Rs. 261 Lacs for the financial year 2008-09.

Another subsidiary of the Company i.e. Ladderup Wealth Management Private Limited which is a start-up venture provides wealth management solutions to Individuals, HNI's and SME's and is gearing up its position for future growth through distribution of Mutual Funds and Insurance Products. The Company earned a revenue of Rs. 21.09 Lacs for the financial year 2008-09.

3. DIVIDEND:

Since the Company will be required to plough back the profits in order to fund the future growth plans, the Board does not recommend any dividend for the year under review.

4. FIXED DEPOSITS:

The Company has not accepted any deposits from the public during the year pursuant to the provisions of section 58A of the Companies Act, 1956.

5. LISTING:

The shares of the Company are listed on "Bombay Stock Exchange Limited" being the regional stock exchange at Mumbai. The Company has paid listing fees to the Stock Exchange, Mumbai upto the financial year 2009-2010. The Company has already requested the Ahmedabad and Jaipur Stock exchanges for delisting of its shares. However, no information has been received so far.

6. DIRECTORS:

Shri T.B. Subramaniam and **Shri Dhaval Desai**, Directors of the Company retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offer themselves for re-appointment. **Shri Hemang Jangla**, Director retires by rotation but has expressed his unwillingness to be re-appointed.

Shri Saurabh Agarwal resigned from the Directorship of the Company w.e.f. 30th September, 2008.

7. DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirements under Section 217(2AA) of the Companies Act, 1956 the Board of Directors confirms that:

- a) In the preparation of accounts, the applicable accounting standards have been followed.
- b) Accounting Policies selected have been applied consistently and judgements made and estimates given are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2009 and the Profit of the Company for the year ended 31st March, 2009.
- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Annual accounts have been prepared on a going concern basis.

8. CORPORATE GOVERNANCE:

The Corporate Governance Code as contained in the Listing Agreement with the Stock Exchange is applicable in the case of the Company. The Company has taken necessary steps for ensuring the compliance of the code. A separate section on Corporate Governance issued by M/s. HS Associates, Company Secretaries, Mumbai, is annexed and forms an integral part of this Report.

9. SUBSIDIARY COMPANIES:

The Company has two subsidiaries i.e. Ladderup Corporate Advisory Private Limited and Ladderup Wealth Management Private Limited. A statement containing details as required under section 212 of the Companies Act, 1956 is enclosed herewith.

10. CONVERSION OF PREFERENTIAL WARRANTS INTO SHARES:

As approved by the members in their Extraordinary General Meeting held on 15th January, 2008, the Company has issued and allotted 40,00,000 fully Convertible Warrants of the Company of Rs. 20/- each on 15th April, 2008 to promoters, promoters group and outsiders carrying a right of getting one Equity Share against each Warrant. The aforesaid 38,50,000 Warrants were converted

DIRECTORS' REPORT

into Equity Shares on 30th June, 2009. The Company also forfeited Rs. 3,00,000 (1,50,000 Warrants @ Rs. 2/- each) on account of non-receipt of balance money from the Warrantholder.

11. COMMITTEES:

The Company has already constituted the Audit Committee, Shareholder's Committee, Remuneration Committee, Investment Committee, and Committee of the Board for Issue of warrants on Preferential basis.

12. AUDITORS:

M/s. Khurdia Jain & Co., Chartered Accountants, Mumbai being Statutory Auditors of the Company retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

13. COMPANY SECRETARY:

Kum Puja Mehta was appointed as Company Secretary of the Company w.e.f. 29th April, 2009. She was also appointed as Compliance Officer in place of Shri Parimal Sheth.

14. INSIDER TRADING:

The Company has implemented a policy prohibiting Insider Trading in conformity with applicable regulations of the Securities Exchange Board of India ("SEBI"), which has been laid down for employees, connected persons and persons deemed to be connected for trading in the securities of the Company.

15. MANAGEMENT DISCUSSION AND ANALYSIS:

The Management Discussion and Analysis are annexed and forms an integral part of this report.

16. PARTICULARS OF EMPLOYEES:

There are no employees whose particulars are required to be given under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

17. INFORMATION ON ENERGY CONSERVATION AND FOREIGN EXCHANGE:

Information required to be given under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 does not apply to your Company. There was no foreign exchange earning or outgo during the year.

18. APPRECIATION:

Your Directors wish to thank all the shareholders, bankers and clients for lending their support in various activities of the Company. Your Directors would like to place on record their appreciation to all the employees for their continued support towards the growth of the company.

For and on Behalf of the Board

Place: Mumbai
Dated: 29th July, 2009

Sunil Goyal
Managing Director

REPORT ON CORPORATE GOVERNANCE

Company's philosophy on Corporate Governance:

The Company's philosophy of corporate governance stems out from its belief that timely disclosures, transparent accounting policies, and a strong and Independent Board go a long way in preserving shareholders trust while maximising long term corporate values.

Keeping in view the Company's size and operations, the company's corporate governance framework is based on the following main principles:

- a. Appropriate composition and size of the Board, with each Director bringing in key expertise in different areas.
- b. Timely and accurate disclosure of all material operational and financial information to the stakeholders.

The Securities and Exchange Board of India (SEBI) through Clause 49 of the Listing Agreement with the Stock Exchanges regulates Corporate Governance for Listed Companies. Ladderup Finance Limited is in compliance with Clause 49.

Board of Directors:

Composition

The Board composition is in conformity with the provisions of the Companies Act, 1956 and the Listing Agreement. The strength of the Board as on 31st March, 2009 is 10 Directors comprising of 3 Executive Directors (ED) and 7 other Directors (D).

The composition of the Board as on 31st March, 2009 was as follows:

Name of Directors	Category of Directorship	No. of Other Directorships*	No. of Committee Memberships
Shri T.B. Subramaniam	Independent Non-Executive Director, Chairman	2	4
Shri Sunil Goyal	Managing Director	1	-
Shri K.V.S. ShyamSunder	Non -Executive Director	1	-
Shri Manoj Singrodia	Non-Executive Director	-	-
Shri K.M. Tulsian	Non-Executive Director	-	-
Shri Hemang Jangla	Independent Non-Executive Director	1	-
Shri Dhaval Desai	Independent Non -Executive Director	2	-
Shri Burzin Somandy	Independent Non -Executive Director	1	2
Shri Parimal Sheth	Executive Director & Chief Executive Officer	-	-
Shri Rajesh Murarka	Executive Director & Chief Financial Officer	-	-

*excludes directorships in private limited companies.

In accordance with Clause 49 of the Listing Agreement with the Stock Exchanges, membership/ chairmanship of only the Audit Committee, Shareholders/ Investors Grievance Committee of the Public Limited Companies has been considered.

REPORT ON CORPORATE GOVERNANCE

None of the Directors on the Board is a member of more than 10 Committees or a Chairman of more than 5 Committees (as specified in Clause 49), across all the companies in which he is a Director. The Directors have made the necessary disclosures regarding Committee positions.

As on 31st March, 2009 none of Directors were disqualified under Section 274(1)(g) and any other provisions of Companies Act, 1956.

None of the Directors have pecuniary or business relationship with the Company apart from those mentioned in this Annual Report.

Number and dates of Board Meetings held:

Five Board Meetings were held during the year 2008-09, (on 29th April, 2008; 27th June, 2008; 29th July, 2008; 31st October, 2008 and 30th January, 2009). Details of directors seeking appointment/ reappointment at the forthcoming Annual General Meeting (pursuant to clause 49 IV(G)(i) of the Listing Agreement)

Name	No. of Board Meetings Attended	Attendance at the last AGM
Shri T.B. Subramaniam	3	Yes
Shri Dhaval Desai	3	No
Shri Sunil Goyal	4	Yes
Shri Manoj Singrodia	5	Yes
Shri K.M. Tulsian	2	No
Shri K.V.S. ShyamSunder	3	Yes
Shri Hemang Jangla	1	Yes
Shri Parimal Sheth	5	Yes
Shri Rajesh Murarka	4	Yes
Shri Saurabh Agarwal (up to 30 th September, 2008)	3	Yes
Shri. Burzin Somandy	5	No

Re-appointment of Directors

1. Shri T.B. Subramaniam, Director retires by rotation and is eligible for re-appointment. He is an Independent Non-Executive Director of the Company. By qualification, he is a Fellow Chartered Accountant and specializes in the field of Banking and Finance.
2. Shri Dhaval Desai, Director retires by rotation and is eligible for re-appointment. He is also an Independent Non-Executive Director of the Company. He is Fellow Chartered Accountant and specializes in financial marketing and advertising.
3. Shri Hemang Jangla, Director retires by rotation but expresses his unwillingness for re-appointment.

Board Committees

The Board has constituted Committees of Directors to monitor the activities and to deal with matters within the terms of reference of the respective Committees.

(a) Audit Committee :

The Company has an Audit Committee at the Board level with powers and role that are in accordance with Clause 49 of the Listing Agreement. The Committee acts as a link between the Management, the statutory and the Board of Directors and oversees the financial reporting process.

REPORT ON CORPORATE GOVERNANCE

The members of the Audit Committee are Non Executive Directors, with majority of them being Independent. The Chairman of the Committee is an Independent Director. The members have vast experience in the field of Banking, Finance and Accounts.

The functions of the Audit Committee are as per Company Law and Listing Agreement with the Stock Exchanges. These include the review of accounting and financial policies and procedures, review of financial reporting system, internal control system and procedures and ensuring compliance of statutory requirements.

The committee met five times during the year under review on 29th April, 2008; 27th June, 2008; 29th July, 2008; 31st October, 2008 and 30th January, 2009.

Composition of Audit Committee and details of the meetings attended:

Name	Category	No. of Committee Meetings attended
Shri T.B. Subramaniam	Chairman (Independent Non-Executive Director)	3
Shri K V S ShyamSunder	Member (Independent Non-Executive Director)	3
Shri Burzin Somandy	Member (Independent Non-Executive Director)	5
Shri Sunil Goyal	Member (Managing Director)	4

Broad terms of reference of the Audit Committee are as per following:

- Reviewing audit reports of Statutory Auditors with Management and Statutory Auditors.
- Reviewing financial reporting systems, internal control systems and control procedures.
- Approval of payment to Statutory Auditors for any other services rendered by them.
- Reviewing with the Management, the quarterly financial statements before submission to the Board for approval.
- Discussion with Statutory Auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any areas of concern.
- Reviewing accounting treatment and confirmation of the fact that financial statement is giving true and fair view.
- Reviewing with the Management, the statement of uses/ application of funds raised through an issue (public issue, right issue, preferential issue, etc.) the statement of funds utilized for purposes other than those stated in the offer document/ prospectus/ notice and report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or right issue, and making appropriate recommendations to the Board to take up steps in this matter.

(b) Remuneration Committee

The Remuneration Committee comprises of 4 Non-Executive Directors, with an Independent Director as its Chairman. The terms of reference of the Remuneration Committee are to recommend to the Board, salary (including annual increments), perquisites and allowances, performance linked remuneration, if any, commission to be paid to the Company's Executive Directors (EDs)/ Whole Time Directors (WTDs) and to finalise the perquisites and allowances package within the overall ceiling fixed by the Board.

REPORT ON CORPORATE GOVERNANCE

The Committee met once during the year on 29th April, 2008.

Composition of Remuneration Committee

Name	Category	No. of Committee meetings attended
Shri. T.B. Subramaniam	Chairman (Independent Non-Executive Director)	0
Shri Burzin Somandy	Member (Independent Non-Executive Director)	1
Shri Sunil Goyal	Member (Managing Director)	1
Shri K.M. Tulsian	Member (Non Executive Director)	1

Thereafter, the Committee was reconstituted in the Board Meeting held on 27th June, 2008. The Composition of which is as follows :

Name	Designation
Shri Burzin Somandy	Chairman (Independent Non-Executive Director)
Shri T.B. Subramaniam	Member (Independent Non-Executive Director)
Shri Manoj Singrodia	Member (Non-Executive Director)
Shri K.M. Tulsian	Member (Non-Executive Director)

The Executive Directors are receiving remuneration as fixed by the Board. The other Non-Executive Independent Directors do not receive any remuneration except sitting fees.

Details of remuneration paid to Non-Executive Directors during 2008-09

Name	Sitting Fees (Rs.)
Shri T.B. Subramaniam	7,000
Shri Dhaval Desai	4,000
Shri Manoj Singrodia	5,000
Shri K.M. Tulsian	2,000
Shri Hemang Jangla	1,000
Shri K.V.S ShyamSunder	7,000
Shri Burzin Somandy	11,000

Details of remuneration paid to Executive Directors during 2008-09

Name	Salary (Rs.)
Shri Rajesh Murarka	13,00,000
Shri Saurabh Agarwal (upto 30 th September, 2008)	4,50,000

REPORT ON CORPORATE GOVERNANCE

Following is the list of Non-Executive Directors and their Shareholdings in the Company.

Name of the Non-Executive Directors	Number of Equity Shares	Non convertible Instruments
Shri. Manoj Singrodia	1,21,400	N.A.
Shri K.M. Tulsian	20,000	N.A.
Shri T.B. Subramaniam	4,100	N.A.
Shri Dhaval Desai	—	N.A.
Shri Hemang Jangla	—	N.A.
Shri K.V.S. ShyamSunder	—	N.A.
Shri Burzin Somandy	—	N.A.

(c) Shareholders/ Investors Grievance Committee

The Shareholders Committee is empowered to perform all the functions of the Board in relation to handling of Shareholders grievances. It primarily focuses on:

- Review of investor complaints and their redressal.
- Review of the queries received from the investors.
- Review of the work done by Share Transfer Agent.
- Review of corporate actions related work.

The Committee met three times during the year under report on 29th April, 2008; 27th June, 2008 and 27th July, 2008.

Composition of Shareholders/ Investors Grievance Committee and details of the meeting attended:

Name	Category	No. of Committee Meetings attended
Shri K.V.S ShyamSunder	Chairman (Non-Executive Director)	2
Shri Hemang Jangla	Member (Independent Non-Executive Director)	3
Shri Dhaval Desai	Member (Independent Non-Executive Director)	0
Shri Manoj Singrodia	Member (Non-Executive Director)	1

The role and function of the Shareholders/ Investors Grievance Committee is to effectively redress the complaints received from the shareholders relating to dematerialization, transfer of shares, non-receipt of the balance sheet and dividend etc. The Committee overview the steps to be taken for improving further the quality of service to the investors.

To expedite the process of share transfer, the Board has delegated necessary process to the Registrar and Share Transfer Agents viz; M/s. Sharex Dynamic (India) Private Limited.

During the year under report, the Company did not receive any complaints for non-receipt of share certificates transferred as certified by the Share Transfer Agents of the Company.

Shri Parimal Sheth, Executive Director and CEO was appointed as Compliance Officer of the Company in place of Shri Saurabh Agarwal with effect from 30th September, 2008.

REPORT ON CORPORATE GOVERNANCE

(d) Investment Committee:

The Committee was reconstituted on 31st October, 2008.

Composition of Investment Committee and details of the meeting attended:

Name	Category	No. of Committee Meetings attended
Shri. Manoj Singrodia	Chairman (Independent Non-Executive Director)	5
Shri Sunil Goyal (w.e.f. 30 th September, 2008)	Member (Managing Director)	3
Shri Parimal Sheth	Member (Executive Director)	2
Shri. Saurabh Agarwal (upto 30 th September, 2008)	Member (Executive Director)	5

The Committee met five times during the year under report on 31st July, 2008; 30th August, 2008; 30th September, 2008, 31st October, 2008 and 28th February, 2009 during the year.

Broad terms of reference of the Investment Committee are as per following:

- a. To invest surplus funds of the company in all types of securities.
- b. To execute necessary investment documents.
- c. To buy, sell, trade, hold, pledge in all types of securities
- d. To take any other necessary actions related to investment/ disinvestment.
- e. To report to the Board about the investments/ disinvestments in securities since last Board meeting.
- f. No sitting fees is paid for the Committee Meetings.

(e) Board Committee for Issue of Warrants on Preferential Basis:

The Board of Directors of the Company has constituted a Committee of Directors to manage the issue of Warrants of the Company on 15th January, 2008.

The Committee met once during the year.

Composition of Board Committee

Name	Category	No. of Committee Meetings attended
Shri T.B. Subramaniam	Chairman (Independent Non-Executive Director)	1
Shri Dhaval Desai	Member (Independent Non-Executive Director)	1
Shri K.V.S. Shyamsunder	Member (Non-Executive Director)	1

Broad terms of reference of the Board Committee are as follows:

- a. To overlook various compliances in relation to issue of Warrants on preferential basis and their conversion into Equity Shares of the Company.
- b. To issue Warrants.
- c. To issue Equity Shares of the Company on conversion of Warrants as and when required in compliance with applicable laws and guidelines.

REPORT ON CORPORATE GOVERNANCE

General Body Meetings:

Details of last three years General Body Meetings are given below:

Financial Year	Date	Time	Venue	Special Resolutions passed
2005-06(AGM)	05/09/2006	10.00 a.m.	Hotel Imperial Palace, 45, Telly Park Road, Andheri (East), Mumbai – 400 069.	Nil
2006-07(AGM)	24/09/2007	4.00 p.m.	Hotel Suba Galaxy, N. S. Phadek Road, Off Western Express Highway, Andheri (E), Mumbai – 400 069.	Nil
2007-08(EGM)	15/01/2008	11.00 a.m.	Hotel Suba Galaxy, N. S. Phadek Road, off Western Express Highway, Andheri (E), Mumbai – 400 069.	<ol style="list-style-type: none"> 1. Increase in authorised capital from Rs. 5 crore to Rs. 10 crore as per the provisions of Section 94 of the Companies Act, 1956. 2. Amendment of Article No. 3 of the Articles of Association under Section 31 of the Companies Act, 1956. 3. Preferential Issue of 40 Lacs of Convertible Warrants to promoter group and others. As per the provisions pursuant to Sections 81 and 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 (including any amendment to or re-enactment thereof) and SEBI (Disclosure and Investor Protection) Guidelines, 2000 and in accordance with the provisions of the Memorandum and Articles of Association of the Company. 4. Increase in borrowing limits of the company to Rs. 25 Crores in terms of Section 293(1)(d) of the Companies Act, 1956.
2007-08(AGM)	27/09/2008	10.30 a.m.	Hotel Suba Galaxy, N.S. Phadke Road, Off., Western Express Highway, Andheri (E), Mumbai – 400 069.	Nil

REPORT ON CORPORATE GOVERNANCE

The Shareholders passed all the resolutions set out in the respective notices.

There was no special resolution passed through postal ballot and no postal ballot is proposed at the ensuing Annual General Meeting.

Disclosures:

Materially significant related party transactions

During the year under review, besides the transactions reported elsewhere in the Annual Report, there were no other related party transactions with the promoters, Directors, the Management or their relatives during the year with potential conflict of interest with the Company at large.

Statutory Compliance

The Company has complied with the requisite regulations relating to capital markets. There were no instance of non-compliance on any matter related to the Capital markets during the past three years and none of the Stock Exchanges or SEBI or any other statutory authority imposed any penalties or strictures of the Company during the last 3 years. The Company has complied with the mandatory provisions of corporate governance and is in the process of adopting the non – mandatory provisions of corporate governance,

Risk Management

The Company has laid down the requisite procedures to inform the Board Members about the risk assessment and minimization procedures.

Means of Communication:

Quarterly results are taken on record by the Board of Directors and submitted to the Stock Exchange in terms of the requirements of Clause 41 of the Listing Agreement.

The Company has its own website in the name of www.ladderup.com on which all the corporate information is made available to the general public.

Management Discussion & Analysis Report is attached herewith forming part of the Annual Report.

General Shareholders Information:

Annual General Meeting Day, Date, Time and Venue	: On Wednesday, 9 th day of September, 2009 at 10.00 a. m. at Hotel Suba Glalaxy N.S. Phadke Road, Off Western Express Highway, Andheri(E), Mumbai,
Date of Book Closure	: From Wednesday, 2 nd September, 2009 to 9 th September, 2009.
Dividend payment date	: N.A.

Financial Year/Calendar 2009-10 (Tentative)

Results for first quarter ending June 30, 2009	: On or before 31 st July, 2009
Results for second quarter ending September 30, 2009	: On or before 31 st October, 2009
Results for third quarter ending December 31, 2009	: On or before 31 st January, 2010
Results for financial year ending March 31, 2010	: On or before 30 th June, 2010
Registered Office	: A-204, Rajeshri Accord, Telly Cross Lane, Off S. N. Road, Andheri (E), Mumbai -400 069
Registrar and Share Transfer Agents :	Sharex Dynamic (India) Private Limited Unit 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri(East), Mumbai – 400 072

REPORT ON CORPORATE GOVERNANCE

M/s. Sharex Dynamic (India) Private Limited is SEBI authorised Registrar and Share Transfer Agents and they are authorised for both physical and electronic transfers and dematerialization of shares and all matters related to shareholders records.

Share Transfer System : Physical transfer of shares are processed by the Share Transfer Agents and approved by the Shareholders/Investors Grievance Committee. Transfer of shares is affected and share certificates are sent to the transferee within 30 days from the date of receipt, provided the relevant documents are complete in all respects.

Listing on Stock Exchanges : Bombay Stock Exchange

Stock Code : 530577

Demat ISIN Number in NSDL and CDSL : INE 519D01015

Market price data : The market price data of the Company are as given below:

Period	High (Rs.)	Low (Rs.)
April-08	22.85	16.55
May-08	22.40	18.15
June-08	20.10	16.30
July-08	21.00	15.00
August-08	26.45	16.90
September-08	18.85	17.15
October-08	17.15	17.15
November-08	17.00	16.00
December-08	17.55	14.60
January-09	15.75	13.52
February-09	15.35	13.35
March-09	14.70	12.02

Distribution of shareholding as on 31st March, 2009

Distribution of Shares (Slab-Wise)	No. of Shareholders	Percentage to Total No. of Shareholders	Shareholding (Amt In Rs.)	Shareholding in percent
Upto 5000	444	59.52	1,159,380	2.90
5001-10000	127	17.02	1,029,480	2.57
10001-50000	121	16.22	2,835,540	7.08
50001-100000	17	2.28	1,181,830	2.96
100001- 1000000	37	4.96	33,819,770	84.49
Total	746	100.00	40,026,000	100.00

REPORT ON CORPORATE GOVERNANCE

Shareholding Pattern as on 31st March, 2009

Category	No. of Shares	% of Shares
Indian Promoters	2,226,250	55.62
Foreign Promoters	Nil	Nil
Persons Acting in concerts	Nil	Nil
Institutional Investors	Nil	Nil
Private Corporate Bodies	404,488	10.11
Indian Public	1,313,830	32.83
NRI's/OBC	57,682	1.44
Others (Clearing Members)	350	0.01
	4,002,600	100.00

Dematerialization of shares and liquidity.

As per the notification issued by SEBI, the shares of the company are traded compulsorily in dematerialized form with effect from 8th May, 2000.

As on 31st March, 2009, 76.34% of your Company's Equity Shares representing 30,55,750 Equity shares are held in dematerialized mode and the balance were in paper form.

The Company had issued and allotted 40,00,000 Convertible Warrants at a price of Rs. 20/- each with a right of getting one Equity Share against each Warrant to the Promoters, Promoters Group and Outsiders. The aforesaid issue is in compliance with SEBI Guidelines on Preferential Issue of Securities. Other than this, the Company has not issued ESOP or any GDRs/ADRs instrument.

Since the company is dealing in shares, stocks and other non fund based activities, the information about plants is not available.

Address for correspondence:

Shareholders should address correspondence to the Company's Registrars and Share Transfer Agents at the address mentioned above. Shareholders could also contact at the Registered office of the Company at the address mentioned above.

Compliance Certificate:

As required under Clause 49 of the Listing Agreement, M/s. HS Associates, Company Secretaries have verified the compliance of the corporate governance norms by the Company. Their report is annexed hereto.

**STATEMENT PURSUANT TO SECTION 212(1)(E)
OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANIES**

Name of the Subsidiary Company	Ladderup Corporate Advisory Private Limited	Ladderup Wealth Management Private Limited
Financial Year ending of the Subsidiary	31 st March, 2009	31 st March, 2009
Holding Company's interest Number of shares held	2,90,000 Equity Shares of Rs. 10/- each fully paid-up	42,500 Equity Shares of Rs. 10/- each fully paid-up
Extent of holding	100%	85%
For the financial year of the subsidiary: Profit/(Losses) so far as it concerns the members of the holding Company and dealt with in the books of accounts of the holding Company	Rs. 2,55,54,074/-	(Rs. 21,47,708/-)
Profit/(Losses) so far as it concerns the members of the holding Company and dealt with in the books of accounts of the holding Company	Nil	Nil
For the previous financial years of the subsidiary since it became a subsidiary:		
Profit/(Losses) so far as it concerns the members of the holding Company and dealt with in the books of accounts of the holding Company	Rs. 1,51,28,687/-	(Rs. 31,622/-)
Profit/(Losses) so far as it concerns the members of the holding Company and not dealt with in the books of accounts of the holding Company	—	—

DECLARATION

I, Parimal Sheth, CEO of the Company hereby declares that all Board members and senior management personnel have affirmed compliance with the code on an annual basis.

For Ladderup Finance Limited

Parimal Sheth
Executive Director & CEO

Date: 29th July, 2009

Place: Mumbai

CERTIFICATE

To,
The Board of Directors,
Ladderup Finance Limited
A-204, Rajeshri Accord,
Telly Cross Lane,
Off S.N. Road,
Andheri (East),
Mumbai – 400 069

We have reviewed the implementation of Corporate Governance procedures by the Company during the year ended March 31, 2009 with the relevant records and documents maintained by the Company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination is neither an audit nor an expression of opinion on the financial statements of the Company.

On the basis of the above and according to the information and explanations given to us, in our opinion, the Company has complied in all material respects with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchange.

We further state that our examination of 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 HS Associates
Company Secretaries,
Hemant Shetye
Partner
FCS-2827
COP-1483

Mumbai
Date: 29th July, 2009

ECONOMIC SCENARIO

The path for the Indian economy through FY 2008-09 was, to a very large extent, determined by the happenings in the global economic environment. The onset of the global financial crisis interrupted India's growth momentum. After clocking an annual average growth of 8.9% from 2003-2008, India's GDP dropped to 6.7% in FY 2008-09. The moderation in growth was mainly felt in the industry and the services sectors which have been the prime growth engines for India over the past five years.

The growth in the services sector declined from the double digit levels but still held up strongly at 9.5% in Q3 FY 2008-09 as a result of government expenditures for the implementation of the 6th Pay Commission awards.

During FY 2008-09, the Index of Industrial Production (IIP) recorded a growth of 2.4% as compared to a growth of 8.5% achieved during FY 2007-08. The Wholesale Price Index (WPI) inflation that peaked at a whopping 12.91% in August 2008 due to hikes in the prices of petrol, diesel and LPG, showed a rapid reverse trend, ending the year at 0.26%.

To counter the slowdown of the Indian economy, the RBI responded by undertaking substantial monetary easing and liquidity enhancing measures including reductions in the Cash Reserve Ratio (CRR), the Statutory Liquidity Ratio (SLR) and key policy rates as well as tax relief to boost consumption. In addition, in order to create employment and public assets, the Government provided a sizeable fiscal expansion in the form of increased public expenditure that increased the fiscal deficit from 2.7% of GDP in FY 2007-08 to 6.2% of GDP in FY 2008-09.

BUSINESS PERFORMANCE

Despite the challenging times in which most of the major investment banks worldwide were ailing, your Company managed to remain profitable for FY 2008-09. Your Company was able to cope up with the uncertainty prevailing in the financial markets and rightly position itself.

Ladderup Finance Limited, the parent company is engaged primarily in investing in listed and unlisted companies. Your Company invests in promising growth stories of startups, mostly upcoming SMEs, by providing them with seed capital. The investment portfolio of your Company is diversified across various upcoming sectors like mobile, food, dairy, retail and medical accessories. Your Company regularly monitors the performance of these companies to protect its investments.

Ladderup Corporate Advisory Private Limited, a subsidiary of your Company, provides fee-based advisory and execution services of diverse nature. The subsidiary company's main focus is on Debt Syndication, IPO Advisory, Private Equity Placements, Mergers and Acquisitions, Joint Venture and Foreign Collaborations, Business and Financial Structuring and Re-structuring etc. During the year, the Company has successfully completed several big ticket debt syndications, private equity deals and also acted as an Advisor for an IPO. Despite the economic downturn, the Company, for the current year, has several mandates for mergers and acquisitions, private equity and project financing and many more are in the pipeline. With zero leverage, no exposures to risk, high capital availability and excellent client relationships, the Company is confident of its ability to deal with opportunities and challenges that lie ahead. The Company is also planning to diversify its activities by venturing into the Merchant Banking business.

Ladderup Wealth Management Private Limited, another subsidiary of your Company, provides wealth management solutions to Retail clients, HNIs, SMEs and Corporate clients by professionally managing their assets in the most effective manner. The Company has Assets Under Management (AUM) of approximately Rs. 150 Crores and these assets are invested in varied instruments including Insurance and Mutual Fund products.

Financial Markets

The turmoil in the global financial markets had a significant adverse impact on India's Balance of Payment (BOP) position. This impact was manifested by the reversal of FII inflows and the decline in

long-term and short-term debt flows. On the other hand, NRI inflows improved and FDI inflows remained resilient. The net result was a moderation in the capital account balance to USD 246.4 billion during April-December 2008 from USD 291.8 billion in April-December 2007. Gross capital outflows increased to USD 231.1 billion from USD 209.8 billion over the same period. Q3 FY 2008-09 thus showed up a negative quarterly capital account balance, a scenario last encountered in Q1 FY 1998-99. The RBI contained these adverse impacts to a great extent through the loss of foreign exchange reserves that fell by USD 20.4 billion (excluding valuation effects) during April-December 2008.

Capital Markets

FY 2007-08 witnessed buoyant capital markets on a global level. The benchmark Sensex crossed the 21,200 mark in January 2008. FY 2008-09 reversed this rally. A series of adverse global events resulted in a major correction in the Indian stock markets, with market capitalizations of major companies falling to two to three year lows. The Sensex fell to a low of 7,697 before closing the year at 9,708. Nifty which had crossed 6,300 in January 2008 saw a low of 2,524 before closing the year at 3,021. The average daily volumes came down from INR 21,472 crore to INR 10,746 crore in the cash segment and from INR 57,042 crore to INR 37,493 crore in the derivatives segment.

In 2008, there were only 37 IPOs as against 100 in 2007. There was no debt issue in 2008. There were only 766 Mergers and Acquisitions and 312 Private Equity deals in 2008 as against 1,081 and 405 deals respectively in 2007.

OPPORTUNITIES AND THREATS

Opportunities

- Being part of India's growth story
- Recovery of capital markets
- Increasing awareness of various types of financing activities among the SMEs & the Mid-cap Segment
- Relaxation in FDI norms by the Government and increased inflow of money through FII's in India
- Government's increased investment in power, health, education etc. will lead to a rise in both value and volumes of PE and M&A deals
- SME financing, a largely untapped market

Threats

- Volatile capital markets
- Increasing fiscal deficit
- Intense competition from Indian and multinational Investment Banks
- High Attrition rate of young, dynamic and experienced professionals

Internal Controls:

The Company has adequate internal control system for business processes across various profit centres, with regard to efficiency of operations, financial reporting, compliance with applicable laws and regulations.

The roles and responsibilities for all managerial positions have been clearly defined. Regular internal audits and checks ensure that responsibilities are executed effectively. The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements. Status of resolution tracking and pending issues is reported to senior management on a regular basis. There is a detailed process for monitoring the progress of implemented action plans.

Human Resources:

The human resource assets are integral to your Company's ongoing success and enable the Company to deliver better performance year after year. In order to optimize the contribution of the employees to the Company's business, several training and development programme at all levels are being conducted. Further, the Company is also exploring other avenues to keep the employee morale at the highest level to enable them to optimally utilize their strengths for maximum benefit to your Company.

Risk & Concerns:

Risks are integral aspects of business. Evaluation of risk and its management becomes more important in the global scenario especially when the Company is trying to penetrate the global markets. The Management of your Company consistently analyzes and evaluates the various risks associated with the business and adopts relevant risk management practices to minimize the adverse impact of these risks. Both external and internal developments are assessed regularly. Fund raising both in the form of debt syndication, IPO, Rights, FCCB, ECB and other forms is dependent upon government policies, performance of capital markets, and Central banks decisions. Also, in this era of liquidity crunch and volatile capital markets, there is fair amount of liquidity and financial risk from the clients.

Future Outlook:

The global economic scenario that was filled with uncertainties during FY 2008-09, seems to be stabilizing. Many analysts believe that it is safe to say that the worst is finally over. Although, this does not imply that the global economies will resume the rapid growth that they showed over the 2005-2008 period, it definitely provides a hope of better times to come.

With central governments worldwide lowering interest rates and announcing enormous economic stimulus packages and moderating commodity prices we expect that the global capital markets, especially those in emerging economies like India, will resume their growth momentum, albeit at a slightly moderate pace as compared to the previous bull run.

Recently, there have been signs indicating that Foreign Institutional Investors (FIIs) who had recorded net outflows in FY 2008-09 are returning to the Indian market. In addition, the Government has also planned to increase expenditure on infrastructure, power, education, health etc., and this will provide a huge boost to the overall economy in terms of creating employment and generating income which will in turn stimulate consumption and saving. Such expenditure by the Government will also increase the number of opportunities available in the areas of Private Equity placement, M&A, Debt Syndication, Corporate Advisory services, etc.

Your Company is well positioned to take advantage of these opportunities. Moreover, your Company has used the recessionary FY 2008-09 period as an opportunity to build up its client portfolio as a result of which we have a number of ongoing Debt Syndication, Private Equity, and M&A deals. During the current year, we expect successful closure of a few of these deals. In view of these factors, we expect your Company to have a sustainable growth during FY 2009-10. We are also broad basing our team on Investment Banking and Wealth Management side which will contribute to an impending growth.

CEO/CFO CERTIFICATION

To,

**The Board of Directors,
Ladderup Finance Limited.
A-204, Rajeshri Accord,
Telly Cross Lane,
Off S. N. Road, Andheri (East),
Mumbai – 400 069.**

We hereby certify that for the financial year, ending 31st March, 2009 on the basis of the review of the financial statements and the cash flow statement and to the best of our knowledge and belief that:-

1. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading;
2. These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We further certify that:
 - a. There have been no significant changes in internal control during the year;
 - b. There have been no significant changes in accounting policies during the year.
 - c. There have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Ladderup Finance Limited

Shri Parimal Sheth
Executive Director & CEO

For Ladderup Finance Limited

Shri Rajesh Murarka
Executive Director & CFO

Date: 30th June, 2009

Place: Mumbai

AUDITORS' REPORT

To,
The Members,

We have audited the attached Balance Sheet of **Ladderup Finance Limited** as at 31st March, 2009 and also the annexed Profit and Loss Account and 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.

1. 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 misstatements. 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 the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditors Report) Order, 2003 and amendment thereto issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in the paragraphs 4 and 5 of the said Order.
3. Further to our comments in the Annexure referred to 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 purpose of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company as it appears from our examination of such books.
 - c) The Company's Balance Sheet and Profit & Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and the Profit and Loss Account and the Cash Flow Statement comply in all material aspects with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 except, Accounting Standard 15 (AS-15) relating to Accounting of Employees Benefits (as referred to in Note No: B(7) of Schedule "18"
 - e) On the basis of written representation received from the directors as on 31st March 2009 and taken on record by the Board, we report that none of the director is disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with other notes thereon give the information required by the Companies Act 1956 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 the state of affairs of the Company as at 31st March, 2009 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 case of Cash flow statement, of the cash flows for the year ended on that date.

For Khurdia Jain & Co.
Chartered Accountants

Sampat Khurdia
Partner
Mem No. 33615

Place : Mumbai
Date : 30th June, 2009

ANNEXURE TO AUDITOR'S REPORT

Annexure referred to in Paragraph 2 of the Auditors Report to the members of Ladderup Finance Limited for the year ended 31st March, 2009.

As required by the Companies (Auditors Report) Order, 2003 and amendments thereto and according to the information and explanations given to us during the course of the audit and on the basis of such checks of the books and records as were considered appropriate we report that:

- (i) a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) As explained to us, all the fixed assets have been physically verified by the management during the year and no material discrepancies have been noticed on such physical verification.
- c) The Company has not disposed of any substantial fixed assets during the year.
- (ii) a) The inventories have been physically verified by the management during the year at reasonable intervals.
- b) The procedures of physical verification of the inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c) The Company has maintained proper records of inventories and discrepancies noticed on physical verification of inventories as compared to book records were not material.
- (iii) a) The Company has granted unsecured loan (receivable on call basis) to its two subsidiaries (one wholly owned) covered in the register maintained under section 301 of the Companies Act, 1956. The aggregate maximum amount outstanding during the year was Rs. 55.34 Lacs and year end balance of such loan was Rs. 39.80 Lacs
- b) The loan to wholly owned subsidiary is interest free and in other case interest has been charged. Other terms and conditions on which the loans have been granted are *prima facie*, not prejudicial to the interest of the Company.
- c) In view of our comments in paras iii (a) & (b) above, clauses 4(iii)(c) and (d) of the said Order are not applicable.
- d) The Company has taken unsecured loans from one party (payable on call basis) covered in the register maintained under section 301 of the Companies Act, 1956. The aggregate maximum amount involved during the year was Rs. 112.90 Lacs. The year end balance of such loans was Rs. Nil.
- e) The said loan is interest free. Other terms and conditions on which the loan has been taken is *prima facie*, not prejudicial to the interest of the Company.
- f) In view of our comments in paras (iii) (d) and (e) above, clause 4(iii)(g) of the said Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanation given to us there is adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and for the sale of services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control systems.
- v) (a) Based on our audit procedures performed by us, we are of the opinion that particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section.
- (b) The transaction made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regards to prevailing market prices at the relevant time.

ANNEXURE TO AUDITOR'S REPORT

- (vi) The Company has not accepted any deposits from the public.
- (vii) The Company does not have a formal internal audit system commensurate with its size and natures of its business but its financial and other internal checks, ensures proper recording of the financial transactions.
- (viii) The Central Government has not prescribed for maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for the Company.
- (ix) a) The Company is regular in depositing undisputed statutory dues including income tax and service tax with appropriate authorities. There are no arrears of outstanding of these dues as at the last day of the financial year for a period of more than six months from the date they became payable. The laws relating to provident fund, investor education protection fund, employee state insurance, sales tax, wealth tax, custom duty, excise duty and cess do not apply to the Company for the year under report.
b) According to the information and explanations given to us, the Company has no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited on account of disputes with the related authorities.
- (x) The Company does not have accumulated losses at the end of the financial year. The Company has not incurred cash losses during the current financial year and in the immediately preceding financial year.
- (xi) The Company has no dues to any financial institution, bank or debenture holders except in respect of vehicle loans.
- (xii) The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
- (xiii) The provisions of any Special Statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund/ Societies are not applicable to the Company.
- (xiv) Based on the records examined by us, the Company is maintaining proper records of the transactions and contracts and timely entries have been made in respect of Investments and the same have been held by the Company in its own name except to the exemption, if any, granted under Section 49 of the Act.
- (xv) The Company has not given any guarantees for loan taken by others from banks and financial institutions.
- (xvi) As per the information and explanations given to us, the Company has not raised any new term loans during the year.
- (xvii) On an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investments.
- (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, 1956.
- (xix) The Company has not issued any debentures during the year.
- (xx) The Company has not raised any money by way of public issue during the year.
- (xxi) There were no frauds on or by the Company noticed or reported during the course of our audit during the year.

For Khurdia Jain & Co.
Chartered Accountants

Sampat Khurdia
Partner
Mem No. 33615

Place : Mumbai
Date : 30th June, 2009

BALANCE SHEET AS AT 31ST MARCH, 2009

Amount (in Rs.)

Particulars	Schedules	As at 31.03.2009	As at 31.03.2008
I SOURCES OF FUNDS			
Shareholders Funds			
Share Capital	1	40,026,000	40,026,000
Share Warrants	1A	75,600,000	—
Reserves & Surplus	2	21,336,828	15,347,158
Loans Funds			
Secured Loans	3	109,074	560,917
Unsecured Loans	4	5,228,915	13,665,000
Deferred Tax Liabilities (Net)		140,890	171,313
		142,441,707	69,770,388
II APPLICATION OF FUNDS			
Fixed Assets	5		
Gross Block		6,559,224	6,559,224
Less: Depreciation		2,601,324	2,116,830
Net Block		3,957,900	4,442,394
Investments	6	108,815,218	36,327,352
Current Assets, Loans & Advances			
Inventories	7	3,709,980	8,202,328
Sundry Debtors	8	931,043	3,408,818
Cash & Bank Balances	9	2,034,267	155,346
Loans & Advances	10	28,839,711	25,430,878
		35,515,001	37,197,370
Less : Current Liabilities & Provisions	11	5,846,411	8,196,728
Net Current Assets		29,668,590	29,000,642
		142,441,707	69,770,388
Significant Accounting Policies & Notes to Accounts	18		

As per our Report of even date

For and on behalf of the Board

For Khurdia Jain & Co.
Chartered Accountants

Sunil Goyal
Managing Director

K.V.S. ShyamSunder
Director

Sampat Khurdia
Partner
M.No. : 33615

Parimal Sheth
Executive Director & CEO

Rajesh Murarka
Executive Director & CFO

Puja Mehta
Company Secretary

Mumbai
Date : 30th June, 2009

Mumbai
Date : 30th June, 2009

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

Amount (in Rs.)

Particulars	Schedules	Year Ended 31.03.2009	Year Ended 31.03.2008
I. INCOME			
Operational Income	12	17,481,432	12,446,960
Other Income	13	4,996,204	47,400
Increase/ (Decrease) in Stock	14	(4,492,348)	(2,25,618)
		17,985,288	12,268,743
II. EXPENDITURE			
Purchase of Shares & Securities		1,223,760	-
Loss in Trading in Derivative Instruments		6,643,817	1,525,237
Employee Costs	15	1,771,781	1,161,556
Administrative and Other Expenses	16	1,033,102	2,629,738
Financial Expenses	17	3,78,730	85,568
Depreciation		4,61,634	4,70,155
		11,512,824	5,872,254
Profit before tax		6,472,465	6,396,489
Less : Provision for Tax			
— Current Tax		450,000	1,102,000
— Deferred Tax Liability/ (Assets)		(30,423)	(46,794)
— Fringe Benefits Tax		40,358	35,000
Profit after tax		6,012,530	5,306,283
Add : Balance brought forward from previous year		11,212,515	6,967,489
Balance available for appropriation		17,225,045	12,273,772
Appropriations:			
Transfer to Special Reserve under Section 45IC of RBI Act		1,202,506	1,061,257
Balance carried forward to Balance Sheet		16,022,539	11,212,515
		17,225,045	12,273,772
Earning Per Share of Rs. 10/- each- Basic & Diluted (in Rs.)		1.50	1.33
Significant Accounting Policies & Notes to Accounts	18		

As per our Report of even date

For and on behalf of the Board

For Khurdia Jain & Co.
Chartered Accountants

Sunil Goyal
Managing Director

K.V.S. ShyamSunder
Director

Sampat Khurdia
Partner
M.No. : 33615

Parimal Sheth
Executive Director & CEO

Rajesh Murarka
Executive Director & CFO

Puja Mehta
Company Secretary

Mumbai
Date : 30th June, 2009

Mumbai
Date : 30th June, 2009

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

Amount (in Rs.)

Particulars	Year ended 31.03.2009	Year ended 31.03.2008
A) Cash Flow from Operating Activities		
Net profit before taxation & extraordinary items	6,472,465	6,396,489
Add/(Less) Adjustments for:		
Depreciation	461,634	470,155
Interest on Loan	337,398	80,544
(Profit)/Loss from Sale of Securities	(369,648)	(3,915,219)
Loss from Sale of Fixed Assets	-	1,11,155
(Increase)/Decrease in Debtors	2,477,775	3,812,026
(Increase)/Decrease in Inventories	4,492,348	225,617
(Increase)/Decrease in Loans and advances	(4,493,094)	10,649,979
Increase/(Decrease) in Other Liability	(2,840,675)	(589,053)
Net Income Tax paid	(1,667,391)	(2,519,083)
Net Cash Flow from Operating Activities (a)	4,870,810	14,722,611
B) Cash Flow from Investing Activities		
Share Application Money	2,751,652	(2,700,000)
Purchase of Securities	(12,695,781)	(53,956,266)
Sale of Securities	13,065,431	33,215,647
Investment in Partnership Firm	(3,639,835)	(4,690,130)
Investment in Mutual Funds	(7,029,245)	-
Investment in Subsidiary Companies	(19,325,000)	-
Investment in Securities	(42,493,786)	-
Sale of Fixed Asset	-	275,000
Net Cash Flow from Investing Activities (b)	(69,366,564)	(27,855,749)
C) Cash Flow from Financing Activities		
Secured Loans (Net of repayment)	(451,843)	(550,334)
Share Warrants Issued	75,600,000	-
Unsecured Loans (Net of repayment)	(8,436,085)	13,665,000
Interest on Loans	(337,398)	(80,544)
Net Cash Flow from Financing Activities (c)	66,374,674	13,034,122
Net Increase/(Decrease) in Cash & Cash Equivalents (a+b+c)	1,878,921	(99,016)
Add: Cash & Cash Equivalents (Opening)	155,347	254,363
Cash & Cash Equivalents (Closing)	2,034,267	155,347

Note:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.
- Cash & Cash equivalent at the end of the year consist of cash in hand and balances with banks and are net of short term loans and advances from banks as follows:

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

Amount (in Rs.)

Particulars	As at 31.03.2009	As at 31.03.2008
Cash in hand	52,185	52,185
Balances with Bank	1,982,082	103,162
	2,034,267	155,347

3. Figures in brackets denotes cash outflows

As per our Report of even date

For Khurdia Jain & Co.
Chartered Accountants

Sampat Khurdia
Partner
M.No. : 33615

Mumbai
Date : 30th June, 2009

For and on behalf of the Board

Sunil Goyal
Managing Director

Parimal Sheth
Executive Director & CEO

Puja Mehta
Company Secretary

Mumbai
Date : 30th June, 2009

K.V.S. ShyamSunder
Director

Rajesh Murarka
Executive Director & CFO

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009

Amount (in Rs.)

Particulars	As at 31.03.2009	As at 31.03.2008
Schedule "1" :— Share Capital		
<u>Authorised</u>		
1,00,00,000 Equity Shares of Rs. 10/- each	100,000,000	100,000,000
<u>Issued, Subscribed & Paid-up</u>		
40,02,600 Equity Shares of Rs. 10/- each fully paid-up	40,026,000	40,026,000
Schedule "1A" :— Share Warrants		
40,00,000 warrants of Rs 20/- each	75,600,000	—
(Each warrant carry option/entitlement to subscribe to one equity share of Rs. 10/- each at a premium of Rs. 10/- per equity share) (Refer Note. No. B(21) of Schedule "18")	75,600,000	—
Schedule "2" :— Reserves & Surplus		
<u>General Reserve</u>	250,000	250,000
<u>Special Reserve under Section 45 IC of RBI Act</u>		
Opening Balance	2,796,583	1,735,327
Transfers during the year	1,202,506	1,061,257
Closing Balance	3,999,089	2,796,583
<u>Revaluation Reserve</u>		
Opening Balance	1,088,059	1,110,919
Less: Depreciation on revalued assets	22,860	22,860
Closing Balance	1,065,199	1,088,059
Profit & Loss Account	16,022,539	11,212,515
	21,336,828	15,347,158
Schedule "3" :— Secured Loans		
Vehicle Loan from ICICI Bank	-	353,846
(Secured against respective vehicles)		
Vehicle Loan from Oriental Bank of Commerce	109,074	207,071
(Secured against respective vehicles)	109,074	560,917
Schedule "4" :— Unsecured Loans		
Inter Corporate Deposits	5,228,915	13,665,000
	5,228,915	13,665,000

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009

Schedule "5" :- Fixed Assets (At Cost less Depreciation)

Amount (in Rs.)

Description	Gross Block				Depreciation					Net Block	
	As At 01.04.2008	Additions During the year	Deductions During the year	As At 31.03.2009	Upto 31.03.2008	Dep. on Revalued Assets	Provided for the year	Adjustment during the year	Upto 31.03.2009	As At 31.03.2009	As At 31.03.2008
Premises	2,078,750	-	-	2,078,750	470,064	22,860	11,024	-	503,948	1,574,802	1,608,686
Computers	1,187,485	-	-	1,187,485	925,275	-	192,491	-	1,117,766	69,719	262,210
Office Equipments	352,850	-	-	352,850	186,861	-	16,760	-	203,621	149,229	165,989
Furniture & Fittings	748,433	-	-	748,433	144,633	-	47,376	-	192,009	556,424	603,800
Motor Cars	1,892,154	-	-	1,892,154	356,222	-	179,755	-	535,977	1,356,177	1,535,932
Air Conditioners	299,552	-	-	299,552	33,775	-	14,229	-	48,004	251,548	265,777
Total	6,559,224	-	-	6,559,224	2,116,830	22,860	461,634	-	2,601,324	3,957,900	4,442,394
Previous Year	7,069,924	-	510,700	6,559,224	1,748,360	22,860	470,155	124,545	2,116,830	4,442,394	5,321,564

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009

Amount (in Rs.)

Particulars	As at 31.03.2009	As at 31.03.2008
<u>Schedule "6" :— Investments (At Cost)</u>		
Long Term Trade		
– In Equity Shares		
Quoted — Fully paid-up	27,821,106	16,787,830
(Refer Note B(11) of Schedule "18")		
(Market Value Rs.13,284,773/-; P. Y. Rs. 13,699,300/-)		
Unquoted - Fully paid-up	45,201,902	13,741,392
(Refer Note B(12) of Schedule "18")		
In Subsidiary Companies	20,425,000	1,100,000
(Refer Note B(13) of Schedule "18")		
	9,34,48,008	31,629,222
In Mutual Funds		
Birla Sunlife Savings Fund Inst.-Daily	4,429,143	-
Dividend Re-Investment (442,613.30 Units)		
Fidelity Ultra Short Term Debt Fund	2,600,102	-
Retail-Weekly Dividend Option (259,937.40 Units)		
	7,029,245	-
Abstracts		
Aggregate amount of Quoted Investments	27,821,106	16,787,830
Aggregate Market Value of Quoted Investments	13,284,773	13,699,300
Aggregate amount of Unquoted Investments	72,656,147	14,841,392
In Partnership Firm		
New India Spinning Company (Fixed Capital)	18,750	18,750
New India Spinning Company (Current Capital)	83,19,215	4,679,380
	8,337,965	4,698,130
Total	108,815,218	36,327,352
<u>Schedule "7" :— Inventories</u>		
(As taken, valued and certified by directors)		
Stock of Shares and Securities (Refer Annexure "I")	3,709,980	8,202,328
	3,709,980	8,202,328
<u>Schedule "8" :— Sundry Debtors</u>		
(Unsecured, considered good)		
Debt outstanding for a period of more than six months	33,672	70,512
Other debts	897,371	3,338,306
	931,043	3,408,818

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009

Amount (in Rs.)

Particulars	As at 31.03.2009	As at 31.03.2008
<u>Schedule "9" :— Cash & Bank Balances</u>		
Cash in hand	52,185	52,184
Balances with Scheduled Banks In Current Account	1,982,082	103,162
	2,034,267	155,346
<u>Schedule "10" :— Loans & Advances</u>		
(Unsecured, considered good)		
Advance recoverable in cash or in kind or for value to be received	5,41,657	1,581,716
Share Application Money	848,348	3,600,000
Inter Corporate Deposits	17,757,934	5,472,655
Other Advances	1,054,665	7,806,791
Deposits	2,080,000	2,080,000
Advance Tax & Tax Deducted at Source	6,557,107	4,889,716
	28,839,711	25,430,878
<u>Schedule "11" :— Current Liabilities & Provisions</u>		
Current Liabilities		
Sundry Creditors		
– Due to Micro, Small & Medium Enterprises (Note No. B(17) of Schedule "18")	-	-
– Due to Others	57,451	-
Other Liabilities	563,602	3,461,728
	621,053	3,461,728
Provisions		
Provision for Tax	4,951,000	4,501,000
Provision for Fringe Benefits Tax	274,358	234,000
	5,225,358	4,735,000
	5,846,411	8,196,728

SCHEDULES FORMING PART OF PROFIT & LOSS ACCOUNT

Amount (in Rs.)

Particulars	Year ended 31.03.2009	Year ended 31.03.2008
<u>Schedule "12" :— Operational Income</u>		
Financial & Management Consultancy Fees (TDS Rs. 1,248,803; P.Y. Rs. 888,205)	9,600,142	6,805,756
Sale of Shares & Securities	5,873,907	280,893
Interest on Loans (TDS Rs. 361,678; P.Y. Rs. 295,453)	1,603,253	1,445,092
Profit on Sale of Investments	211,851	3,915,219
Profits from dealing in shares	121,058	—
Profit on Sale of Mutual Funds	71,221	—
	17,481,432	12,446,960
<u>Schedule "13" :— Other Income</u>		
Dividend Income	4,831,369	47,400
Share of Profit from Partnership Firm	164,835	—
	4,996,204	47,400
<u>Schedule "14" :— Increase/ (Decrease) in Stocks</u>		
Closing Stocks of shares & securities	3,709,980	8,202,328
Less : Opening Stocks of shares & securities	8,202,328	8,427,945
	(4,492,348)	(225,618)
<u>Schedule "15" :— Employee Costs</u>		
Directors Remuneration	1,750,000	1,080,000
Directors sitting fees	21,000	57,000
Staff Welfare Expenses	781	24,556
	1,771,781	1,161,556

SCHEDULES FORMING PART OF PROFIT & LOSS ACCOUNT

Amount (in Rs.)

Particulars	Year ended 31.03.2009	Year ended 31.03.2008
<u>Schedule "16" :— Administrative & Other Expenses</u>		
Rent	101,700	305,100
Legal & Professional Charges	101,000	505,323
Communication Costs	111,974	109,154
Vehicle Maintenance Expenses	237,714	157,236
Electricity Expenses	87,732	190,850
Business Promotion Expenses	103,228	80,801
Printing & Stationery	33,280	56,403
Travelling & Conveyance	29,928	12,583
Auditors Remuneration	20,000	20,000
Office Expenses	61,687	6,866
Insurance Expenses	7,421	38,837
Bad Debts Written Off	21,810	871,705
Loss on Sale of Fixed Assets	—	111,155
Miscellaneous Expenses	115,630	163,724
	1,033,102	2,629,738
<u>Schedule "17" :— Financial Expenses</u>		
Bank Charges	13,439	5,024
Interest on Car Loan	27,893	65,534
Interest to Others	337,398	15,010
	378,730	85,568

Schedule '18' : Significant Accounting Policies and Notes to the Accounts

A) Significant Accounting Policies

1. Basis of Preparation of Financial Statements :

The financial statements are prepared under the historical cost convention, on a going concern concept and in compliance with the Accounting Standards issued by the ICAI/ Companies (Accounting Standard), Rules, 2006. Company follows mercantile system of accounting and recognizes Income & Expenditure on accrual basis to the extent measurable and where there is certainty of ultimate realization in respect of incomes. Accounting policies not specifically referred to otherwise, are consistent and in consonance with the generally accepted accounting principles.

2. Use of estimates :

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimated are recognized in the period in which the results are materialized.

3. Recognition of income and expenditure :

The Company follows the accrual basis of accounting except in the following cases, where the same are recorded on the basis of realization or ascertainment of rights and obligations

- a. Insurance claims
- b. Payment of bonus and leave salary
- c. Gratuity

4. Revenue Recognition:

- a. Profit or Loss from dealing in shares and securities are recognized on settlement dates.
- b. Dividend on shares is being considered on receipt basis.
- c. In respect of other heads of income, the Company follows the practice of accounting on accrual basis.

5. Fixed Assets :

Fixed Assets are stated at cost of acquisition less accumulated depreciation. The cost of acquisition comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

6. Depreciation :

- a. Depreciation on Fixed Assets is provided on 'Straight Line Method' at the rates and in the manner as specified in Schedule XIV of the Companies Act, 1956.
- b. Depreciation on revalued assets to the extent of revaluation is charged from Revaluation Reserve.

7. Impairment of Fixed Assets:

At the end of each year, the Company determines whether a provision should be made for impairment loss on fixed assets by considering the indication that an impairment loss may have occurred in accordance with Accounting Standard 28 on "Impairment of Assets" issued by the ICAI/Companies (Accounting Standard), Rules, 2006. Where the recoverable amount of any fixed assets is lower than its carrying amount, a provision for impairment loss on fixed assets is made for the difference.

8. Investments :

Investments that are intended to be held for more than a year from the date of acquisition, are classified as long term investment and are carried at cost less any provision for permanent diminution in value. Investments other than long term investments being current investments are valued at cost or fair market value whichever is lower.

9. Inventory :

Stock of shares and securities is valued at lower of cost or market value.

10. Accounting for Taxation on Income :

Current Taxes

Provision for current income-tax is recognized in accordance with the provisions of Indian Income Tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

Deferred Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future. Deferred tax assets are reviewed as at each Balance Sheet date.

Fringe Benefit Tax

Provisions for Fringe Benefits Tax (FBT) have been recognized on the basis of harmonious contextual interpretation of the provision of the Income-tax Act, 1961.

11. Prior Period Items:

Material amount of Income and Expenditure pertaining to prior years are disclosed separately.

12. Employees Benefits:

- a. Liability for leave encashment benefits has been provided on cash basis.
- b. Gratuity liability is accounted for on cash basis.

13. Treatment of Contingent Liabilities :

- a. Contingent Liabilities in respect of show cause notices received are considered only when they are converted into demands. Payments in respect of such demands, if any, are shown as advances.
- b. Contingent Liabilities under various fiscal laws includes those in respect of which the company/department is in appeal.
- c. Contingent Liabilities are disclosed by way of notes.

B) Notes to Accounts

1. In the opinion of the Board, the Current Assets, Loans & Advances are approximately of the value stated and are realizable in the ordinary course of business. The provision for all known liabilities is adequate.
2. The Balances and classification of Sundry Debtors, Loans and advances, Sundry Creditors and other liabilities shown in the Financial Statements are as per the ledger and are subject to confirmation and consequent reconciliation and adjustment.

SCHEDULES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009

3) Contingent Liabilities not provided for : Nil

4) **Auditor's Remuneration :**

Amount (in Rs.)

Particulars	Year ended 2008-09	Year ended 2007-08
Statutory Audit Fees	15,000	15,000
Tax Audit	4,000	4,000
Others	1,000	1,000
Service Tax	2,060	2,472
Total	22,060	22,472

5. **Director's Remuneration:**

Amount (in Rs.)

Particulars	Year ended 2008-09	Year ended 2007-08
Director's Remuneration	1,750,000	1,080,000
Director's Sitting Fees	21,000	57,000
Total	1,771,000	1,137,000

6. Additional information pursuant to the provisions of paragraph 3, 4C and 4D have been given hereinbelow to the extent applicable :

- a. The quantitative information of Opening Stock, Purchases, Sales and Closing Stock of Shares & Securities is given below. Details regarding Closing Stock are annexed in Annexure "I" thereto.

Shares & Securities	Quantity		Amount (Rs.)	
	As at 31.03.2009	As at 31.03.2008	As at 31.03.2009	As at 31.03.2008
Opening Stock	513,150	642,800	8,202,328	8,427,945
Purchases	1,600	Nil	1,223,760	Nil
Sales/ written off	501,000	129,650*	5,873,907	280,893
Closing Stock	13,750	513,150	3,709,980	8,202,328

*Includes 123,000 equity shares written off during the year carrying Nil book value.

b. Expenditure, earning and remittance in foreign currency : Nil

7. Liabilities in respect of Gratuity & Leave encashment are accounted for on cash basis which is not in conformity with Accounting Standard (AS) 15 (Revised 2005) on Employee Benefits as issued by the ICAI/ Company (Accounting Standards) Rules, 2006, which requires that Gratuity & Leave Encashment Liabilities be accounted for on accrual basis.

SCHEDULES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009

8. Company is a partner in a Partnership firm namely M/s. New India Spinning Company, which is in the process of implementing a project for manufacturing of Yarn. The profit/ loss sharing ratio in the said firm, is as under :

Amount (in Rs.)

Name of the Partner	Profit/Loss sharing ratio	Total Capital	
		As at 31.03.2009	As at 31.03.2008
Ladderup Finance Limited	37.50%	8,337,965	4,698,130
Mr. Pawan Saraf	50.00%	522,280	200,000
Mr. Mukesh Goyal	12.50%	403,465	502,500

9. During the year, the Company has earned income of Rs. 9,600,142/- (P.Y. Rs. 6,805,756/-) as revenue sharing of fees from Ladderup Corporate Advisory Private Limited (LCAPL), a wholly owned subsidiary of the Company, being 15% of total fees income as reduced by bad debts, if any, pursuant to Revenue sharing Agreement between the Company and LCAPL.
10. Sundry Debtors include Rs. 897,371/- (P.Y. Rs. 2,373,847/-) receivable from Ladderup Corporate Advisory Private Limited, its wholly owned subsidiary.
11. Details of Equity shares in quoted Companies held by the Company, as referred to in Schedule "6" are as under :

Sr. No.	Name of the Company	Face Value (in Rs.)	As at 31.03.2009		As at 31.03.2008	
			Nos.	Value (in Rs.)	Nos.	Value (in Rs.)
1	Adlabs Films Limited	10	350	64,064	-	-
2	Andhra Sugars Limited	10	2,500	275,656	-	-
3 a.	Areva T&D India Limited	10	1,000	1,167,006	1,000	1,167,006
3 b.	Areva T&D India Limited	10	4,000	Bonus	-	-
4	Bajaj Hindustan Limited	1	2,000	102,695	1,000	170,691
5	Capman Financials Limited	10	50,000	500,000	50,000	500,000
6	Fame India Limited	10	81,000	5,162,126	70,000	4,977,955
7	Fortis Healthcare Limited	10	5,000	374,026	4,000	310,880
8	GMR Infrastructure Limited	2	5,000	1,024,893	5,000	1,024,893
9	Graphite India Limited	10	2,000	76,194	-	-
10	HEG Limited	10	5,500	976,343	1,500	468,136
11	Idea Cellular Limited	10	11,000	695,662	-	-
12	IMP Powers Limited	10	3,000	126,276	-	-
13	Kotak Mahindra Bank Limited	10	1,000	364,761	-	-
14	Larsen & Toubro Limited	10	2,400	2,940,915	-	-
15	Nesco Limited	10	2,456	2,104,577	500	689,247
16	Neyveli Lignite Corporation Limited	10	5,000	540,225	1,500	199,949
17	Nicco Corporation Limited	2	15,000	583,937	15,000	583,937

SCHEDULES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009

Sr. No.	Name of the Company	Face Value (in Rs.)	As at 31.03.2009		As at 31.03.2008	
			Nos.	Value (in Rs.)	Nos.	Value (in Rs.)
18	NTPC Limited	10	8,000	1,365,179	5,000	1,031,158
19	Power Grid Corporation of India Limited	10	10,000	709,303	4,000	473,249
20	Punj Lloyd Limited	10	5,000	818,450	-	-
21	Reliance Communications Limited	5	3,000	1,534,714	1,000	673,580
22	Reliance Petroleum Limited	10	6,000	1,239,374	6,000	1,239,374
23	Repro India Limited	10	18,242	2,235,882	14,000	1,940,154
24	Satyam Computer Services Limited	10	4,500	782,525	-	-
25	Sesa Goa Limited	10	2,500	444,823	-	-
26	Sakthi Sugar Limited	10	10,100	942,001	5,500	445,213
27	Shipping Corporation of India Limited	10	-	-	1,000	222,906
28	Videocon Industries Limited	10	1,000	669,502	1,000	669,502
	TOTAL		266,548	27,821,106	187,000	16,787,830

12. Details of Equity shares in Unquoted Companies held by the Company, as referred to in Schedule "6" are as under :

Sr. No.	Name of the Company	Face Value (in Rs.)	As at 31.03.2009		As at 31.03.2008	
			Nos.	Value (in Rs.)	Nos.	Value (in Rs.)
1	Invent Bio-Med Private Limited	10	40,000	4,000,000	40,000	4,000,000
2	Jumbo King Foods Private Limited	10	73,981	7,838,902	64,230	7,741,392
3	Precious Real Estate Private Limited	10	2,00,000	2,000,000	2,00,000	20,00,000
4	Tops Security Limited	10	40,900	2,863,000	-	-
5	Parag Milk Foods Private Limited	10	50,000	12,500,000	-	-
6	Mobile Magic Private Limited	10	137,894	16,000,000	-	-
	TOTAL		542,775	45,201,902	304,230	13,741,392

SCHEDULES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009

13. Details of Equity shares of Subsidiary Companies held by the Company, as referred to in Schedule "6" are as under :

Sr. No.	Name of the Company	Face Value (in Rs.)	As at 31.03.2009		As at 31.03.2008	
			Nos.	Value (in Rs.)	Nos.	Value (in Rs.)
1	Ladderup Corporate Advisory Private Limited	10	290,000	20,000,000*	100,000	1,000,000
2	Ladderup Wealth Management Private Limited	10	42,500	425,000	10,000	100,000
	TOTAL			20,425,000		1,100,000

* includes premium of Rs. 90/- per share on 190,000 shares acquired during the year.

14. **Segment Information :**

In accordance with the requirements of Accounting Standard – 17 "Segment Reporting", issued by ICAI/Companies (Accounting Standards) Rules, 2006 the Company's business activities can be classified into three segment namely Investment & Trading in Shares & Securities, Consultancy and Finance activities. The information about all the segments is given in Annexure "II" to the Notes to Accounts.

15. **Related Parties:**

For the year ended 31st March 2009.

a. **Key Management Personnel:**

Mr. Sunil Goyal	Managing Director
Mr. Manoj Singrodia	Director
Mr. K.V.S Shyam Sunder	Director
Mr. K.M.Tulsian	Director
Mr. Burzin Somandy	Director
Mr. Dhaval Desai	Director
Mr. Hemang Jangla	Director
Mr. T.B. Subramanian	Director
Mr. Parimal Sheth	Executive Director & CEO
Mr. Rajesh Murarka	Executive Director & CFO
Mr. Saurabh Agarwal*	Executive Director & CFO

*Resigned w.e.f. 30th September, 2008

b. **Relative of Key Management Personnel :**

Mrs. Usha Goyal	Relative of Director
Mrs. Santosh Singrodia	Relative of Director

c. **Name of the Enterprises having same Key Management Personnel with whom the Company has entered into transactions during the year:**

Haymore Financial Services India Limited
Precious Real Estate Private Limited
Jay Ambe Enterprises
Invent Bio-Med Private Limited
JumboKing Foods Private Limited
Parag Milk Foods Private Limited
Kisan Mouldings Limited

SCHEDULES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009

d. Associates:

M/s. Singrodia Goyal & Company	Partnership Firm
M/s. New India Spinning Company	Partnership Firm
M/s. Ladderup Securities Private Limited	Associate Concern

e. Subsidiary Companies:

Ladderup Corporate Advisory Private Limited

Ladderup Wealth Management Private Limited

Amount (in Lacs)

Nature of Transaction	Refer to (a) above		Refer to (b) above		Refer to (c) above		Refer to (d) above		Refer to (e) above	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
Directors Remuneration	17.50	10.80	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Directors sitting fees	0.21	0.57	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Rent Paid	0.51	1.53	0.51	1.53	Nil	Nil	Nil	Nil	Nil	Nil
Allocation of Expenses	Nil	Nil	Nil	Nil	Nil	Nil	2.28	1.02	Nil	Nil
Investment in Partnership Firm	Nil	Nil	Nil	Nil	Nil	Nil	83.38	46.98	Nil	Nil
Investment made	Nil	Nil	Nil	Nil	125.98	137.41	Nil	Nil	Nil	Nil
Shares Sold	Nil	Nil	Nil	Nil	Nil	4.90	Nil	Nil	Nil	Nil
Unsecured Loan taken	Nil	0.11	Nil	Nil	Nil	Nil	190.70	124.15	Nil	Nil
Repayment of Unsecured Loan taken	Nil	0.11	Nil	Nil	Nil	Nil	303.60	19.45	Nil	Nil
Equity Contribution	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	190.00	10.00
Loans Granted	Nil	Nil	Nil	Nil	Nil	50.00	Nil	Nil	21.35	242.89
Repayment of Unsecured Loan given	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	284.15
Interest Received	Nil	Nil	Nil	Nil	Nil	2.96	Nil	Nil	0.59	Nil
Share Application Money paid	Nil	Nil	Nil	Nil	4.13	Nil	Nil	Nil	197.50	Nil
Shares Allotted	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	22.25	Nil
Securities Premium Paid	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	171.00	Nil
Revenue sharing received	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	96.00	67.06
Amount Outstanding as on 31st March, 2009										
- Loans payable	Nil	Nil	Nil	Nil	Nil	Nil	Nil	112.90	Nil	Nil
- Loans receivable	Nil	Nil	Nil	Nil	51.80	63.00	Nil	Nil	21.81	Nil
- Other receivables	Nil	Nil	Nil	Nil	5.00	5.00	Nil	Nil	Nil	Nil
- Share Application Money	Nil	Nil	Nil	Nil	4.13	Nil	Nil	Nil	4.25	Nil
- Deposits	8.00	8.00	12.35	12.35	Nil	Nil	Nil	Nil	Nil	Nil
- Investments	Nil	Nil	Nil	Nil	263.39	137.41	Nil	Nil	204.25	11.00
- Investment in Partnership Firm	Nil	Nil	Nil	Nil	Nil	Nil	83.37	46.98	Nil	Nil

Note: Related Parties as disclosed by Management and relied upon by auditors.

SCHEDULES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009

16. **Additional Information pursuant to Clause 32 of the Listing Agreement :**

Amount (in Lacs)

Name of Company	As at 31.03.2009		As at 31.03.2008	
	Amount	Maximum Amount Outstanding	Amount	Maximum Amount Outstanding
Ladderup Corporate Advisory Private Limited	18.00	33.54	Nil	175.87

17. **Amounts due to Micro, Small and Medium Enterprises:**

Based on the information available with the Company, no creditors have been identified as "supplier" within the meaning of "Micro, Small and Medium Enterprises Development (MSMED) Act, 2006".

18. **Earning Per Share :**

In accordance with Accounting Standard 20 – Earning Per Share issued by ICAI/ Companies (Accounting Standard), Rules, 2006, computation of earning per share is set out below:

Amount (in Rs.)

Sr. No.	Particulars	31.03.2009	31.03.2008
A	Weighted average number of Equity Shares of Rs. 10 each		
(i)	Number of Shares at the beginning of the year	4,002,600	4,002,600
(ii)	Number of Shares at the end of the year	4,002,600	4,002,600
(iii)	Weighted average number of Equity Shares outstanding during the year	4,002,600	4,002,600
B	Net Profit/ (loss) after tax available for equity shareholders	6,012,530	5,306,283
C	Basic Earning Per Share (B/A (iii))	1.50	1.33

19. **Taxes on Income:**

- Provision for taxation for the year has been made in accordance with the provisions of the Income-tax Act, 1961.
- In terms of Accounting Standard-22 "Accounting for Taxes on Income" issued by ICAI/ Companies (Accounting Standards) Rules, 2006 the company has recognized Deferred Tax Assets amounting to Rs. 30,423/- for the year ended 31st March, 2009 in the Profit & Loss Account.

The balance in Net Deferred Tax Liability comprises of:

Amount (in Rs.)

Particulars	As at 31.03.2009	As at 31.03.2008
Deferred Tax Liability / (Assets)		
Depreciation	140,890	171,313
Deferred Tax Liability/ (Assets) [Net]	140,890	171,313

SCHEDULES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009

20. The Company has transferred an amount of Rs. 1,202,506/- (P.Y. Rs. 1,061,257/-) equivalent to 20% of the profits after tax of the Company to Special Reserve Account in compliance with Section 45IC of the Reserve Bank of India Act.
21. During the year, the Company had issued, on preferential basis, 40 Lakh Convertible Warrants to promoter group and other investors. Each warrant shall be convertible into one equity share of the Company at a price of Rs. 20/- per share i.e. at a premium of Rs. 10/- per share within 18 months of their allotment. The Company had received Rs. 756 Lacs towards partial/full subscription towards the Warrants. Out of the proceeds received the Company has utilised Rs. 745.46 Lacs towards the objects as mentioned in the offer document. Pending utilisation, the balance funds of Rs. 10.54 Lacs has been temporarily lying with Bank in current account.
22. The Company has invested Rs. 4.25 Lacs towards Share Capital in one of its subsidiary company, Ladderup Wealth Management Private Limited (LWMPL) & further advanced a sum of Rs. 21.81 Lacs as interest bearing loan. Total accumulated losses of LWMPL is Rs. 21.48 Lacs as on 31st March, 2009. No provision for diminution in value of investments and loans advanced has been made in view of the long term involvement of the Company in the said subsidiary.
23. Figures of previous year have been regrouped, reclassified and / or rearranged wherever necessary.

As per our Report of even date

For Khurdia Jain & Co.
Chartered Accountants

Sampat Khurdia
Partner
M.No. : 33615

Mumbai
Date : 30th June, 2009

For and on behalf of the Board

Sunil Goyal
Managing Director

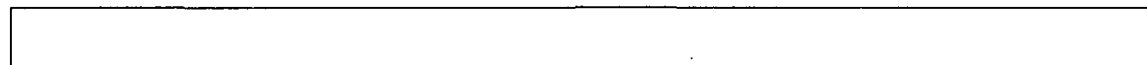
Parimal Sheth
Executive Director & CEO

Puja Mehta
Company Secretary

Mumbai
Date : 30th June, 2009

K.V.S. ShyamSunder
Director

Rajesh Murarka
Executive Director & CFO



Annexure 'I'

Details of Closing Stock of Shares and Securities as at 31st March, 2009

Particulars	As at 31.03.2009		As at 31.03.2008	
	Nos.	Value (in Rs.)	Nos.	Value (in Rs.)
Sunflag Iron & Steel Limited	350	2,328	350	2,328
Vandana Hitech Systems Private Limited	12,800	3,200,000	12,800	3,200,000
Vinayaka Capsec Private Limited	-	-	500,000	5,000,000
Larsen & Toubro Limited	600	507,652	-	-
Total	13,750	3,709,980	513,150	8,202,328

SEGMENT INFORMATION FOR THE YEAR ENDED 31ST MARCH, 2009

Annexure 'II'

Amount (in Rs.)

Particulars	Investment & Trading Activities	Consultancy Services	Finance Activities	Total
Revenue				
External sales	11,274,241	9,600,142	1,603,253	22,477,636
Inter segment sales	-	-	-	-
Total Revenue	11,274,241	9,600,142	1,603,253	22,477,636
Result				
Segment Result	(1,085,683)	9,600,142	1,603,253	10,117,712
Unallocated Income				—
Unallocated Corporate Expense				3,645,247
Profit before tax				6,472,464
Income taxes				450,000
Fringe Benefits Tax				40,358
Deferred tax				(30,423)
Net Profit				6,012,529
Other Information				
Segment Assets	112,525,198	931,043	28,839,711	142,295,951
Unallocated Corporate Assets				5,992,166
Total Assets				148,288,118
Segment Liabilities	-	75,600,000	-	75,600,000
Unallocated Corporate Liabilities				11,184,400
Deferred Tax Liabilities				140,890
Total liabilities				86,925,290

SEGMENT INFORMATION FOR THE YEAR ENDED 31ST MARCH, 2008

Amount (in Rs.)

Particulars	Investment & Trading Activities	Consultancy Services	Finance Activities	Total
Revenue				
External sales	4,243,512	6,805,756	1,445,092	12,494,360
Inter segment sales	—	—	—	—
Total	4,243,512	6,805,756	1,445,092	12,494,360
Result				
Segment Result	2,315,632	5,934,051	1,445,092	9,694,775
Unallocated Income				—
Unallocated corporate Expense				3,298,285
Profit before tax				6,396,490
Income taxes				1,102,000
Fringe Benefits Tax				35,000
Deferred tax				(46,794)
Net Profit				5,306,284
Other Information				
Segment Assets	50,104,634	1,944,399	13,279,446	65,328,479
Unallocated Corporate Assets				12,638,637
Total Assets				77,967,116
Segment Liabilities	—	268,888	—	268,888
Unallocated Corporate liabilities				22,153,757
Deferred Tax Liabilities				171,313
Total liabilities				22,593,958

SCHEDULES FORMING PART OF ACCOUNTS AS ON 31ST MARCH, 2009

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details

Registration No. : **L67120MH1993PLCO74278**
 Balance Sheet Date : **31 3 2009**
 Date Month Year

State Code : **11**

II. Capital raised during the year (Rs. in Thousands)

Public Issue **Nil** Rights Issue **Nil**
 Bonus Issue **Nil** Private Placement **Nil**

III. Position of Mobilisation and Deployment of Funds (Rs. in Thousands)

Total Liabilities **142442** Total Assets **142442**

Source of Funds

Paid-up Capital **40026** Reserves and Surplus **21337**
 Secured Loans **109** Unsecured Loans **5229**
 Deferred Tax Liability **141** Share Warrants **75600**

Application of Funds

Net Fixed Assets **3958** Investments **108815**
 Net Current Assets **29669** Misc. Expenditure **Nil**
 Accumulated Losses **Nil**

IV. Performance of Company. (Rs. in Thousands)

Turnover and Income **17985** Total Expenditure **11513**
 + - Profit/Loss Before Tax **6472** Profit/Loss After Tax **6013**

(Please tick appropriate box, + Profit, - for Loss)

Earning Per Share in (Rs.) **1.50** Dividend Rate % **—**

V. Generic Names of Three Principal Products/Services of Company (As Per Monetary Terms)

Item Code No. (ITC Code) **-**
 Product Description **1 Investments & Dealing in Shares & Securities**
 Signatories to Schedule "1" to "18"

As per our Report of even date

For Khurdia Jain & Co.
 Chartered Accountants

Sampat Khurdia
 Partner
 M.No. : 33615

For and on behalf of the Board

Sunil Goyal
 Managing Director

Parimal Sheth
 Executive Director & CEO

Puja Mehta
 Company Secretary

K.V.S. ShyamSunder
 Director

Rajesh Murarka
 Executive Director & CFO

Mumbai
 Date : 30th June, 2009

Mumbai
 Date : 30th June, 2009

AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

Auditor's Report to the Board of Directors of Ladderup Finance Limited on the Consolidated Financial Statements of Ladderup Finance Limited and its Subsidiaries.

We have audited the attached Consolidated Balance Sheet of **Ladderup Finance Limited** (hereinafter referred as "the Company"), the holding company and its subsidiaries (hereinafter collectively referred to as "the Group") as at 31st March, 2009, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement for the year ended on that date prepared in accordance with the accounting principles generally accepted in India

1. These financial statements are the responsibility of the management of the Company. Our responsibility is to express an opinion on these financial statements based on our Audit. We conducted our Audit in accordance with generally accepted auditing standards in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared, in all material respects, in accordance with an identified financial reporting framework and are free of material misstatements. An Audit includes, examining on a test basis, evidence supporting the amounts and disclosures in financial statements. An Audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.
2. We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of Accounting Standard (AS) 21, "Consolidated Financial Statements" and other applicable Accounting Standards issued by ICAI/Companies (Accounting Standards) Rules, 2006 and on basis of the separate audited financial statements of the Company and its Subsidiaries included in the consolidated financial statements.
3. We did not audit the financial statements of the subsidiary viz., Ladderup Wealth Management Private Limited whose financial statement reflect the Group share of total assets of Rs. 2,579,794 as at 31st March, 2009 and Group share of total revenue of Rs. 2,108,856 and Cash Flow amounting to Rs. 272,225 for the year ended at that date, as considered in the Consolidated Financial Statements.

These Financial Statements and other information's of the subsidiary have been audited up to 31st March 2009 by other auditor, whose reports have been furnished to us and our opinion, in so far as it relates to the amounts included in respects of the subsidiary is based solely on the report of the other auditors.

4. On the basis of the information and explanations given to us and on the consideration of the separate Audit Reports on individual audited financial statements of the Company and its Subsidiaries, we are of the opinion that the consolidated financial statements give a true and fair view:
 - (a) In case of the consolidated Balance Sheet, of the consolidated state of affairs of the Group as at 31st March, 2009;
 - (b) In case of the consolidated Profit and Loss Account, of the consolidated results of operation of the Group for the year then ended; and
 - (c) In case of the consolidated Cash Flow Statement, of the consolidated cash flows of the Group for the year ended on that date.

For Khurdia Jain & Co.
Chartered Accountants

Sampat Khurdia
Partner
Mem. No. 33615

Place : Mumbai
Date : 30th June, 2009.

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2009

Amount (in Rs.)

Particulars	Schedules	As at 31.03.2009	As at 31.03.2008
I SOURCES OF FUNDS			
Shareholders Funds			
Share Capital	1	40,026,000	40,026,000
Share Warrants	1A	75,600,000	-
Reserves & Surplus	2	46,760,605	30,444,224
Loans Funds			
Secured Loans	3	1,219,038	1,257,129
Unsecured Loans	4	5,228,915	25,930,000
Deferred Tax Liabilities (Net)		343,793	354,227
		169,178,352	98,011,580
II APPLICATION OF FUNDS			
Fixed Assets	5		
Gross Block		13,351,686	11,573,808
Less: Depreciation		4,215,444	2,637,578
Net Block		9,136,242	8,936,230
Investments	6	92,090,217	35,227,353
Minority Interest		242,413	—
Current Assets, Loans & Advances			
Inventories	7	3,709,980	8,202,328
Sundry Debtors	8	25,608,180	8,414,662
Cash & Bank Balances	9	4,205,691	702,766
Loans & Advances	10	70,316,294	57,375,717
		103,840,144	74,695,472
Less : Current Liabilities & Provisions	11	36,130,664	20,847,475
Net Current Assets		67,709,480	53,847,998
Miscellaneous Expenditure	12	—	—
		169,178,352	98,011,580
Significant Accounting Policies & Notes to Accounts	19		

As per our Report of even date

For Khurdia Jain & Co.
Chartered Accountants

Sampat Khurdia
Partner
M.No. : 33615

Mumbai
Date : 30th June, 2009

For and on behalf of the Board

Sunil Goyal
Managing Director

Parimal Sheth
Executive Director & CEO

Puja Mehta
Company Secretary

Mumbai
Date : 30th June, 2009

K.V.S. ShyamSunder
Director

Rajesh Murarka
Executive Director & CFO

CONSOLIDATED PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

Amount (in Rs.)

Particulars	Schedules	Year ended 31.03.2009	Year ended 31.03.2008
I. Income			
Operational Income	13	75,581,672	52,320,733
Other Income	14	996,204	47,400
Increase/ (Decrease) in Stocks of Shares & Securities	15	(4,492,348)	(225,617)
		72,085,528	52,142,516
II. Expenditure			
Purchase of Shares		1,223,760	—
Loss in Trading in Derivative Instruments		6,643,817	1,525,237
Employee Costs	16	15,542,044	4,864,194
Administrative and Other Expenses	17	19,905,777	14,927,034
Financial Expenses	18	746,311	178,181
Depreciation		1,555,006	990,903
		45,616,716	22,485,549
Profit before tax		26,468,813	29,656,967
Less : Provision for Tax			
- Current Tax		9,500,000	8,912,000
- Deferred Tax Liability / (Assets)		(10,434)	136,120
- Fringe Benefit Tax		277,618	205,499
Profit after Tax		16,701,629	20,403,349
Less : Minority Interest		(317,413)	—
Add : Balance brought forward from previous year		26,309,581	6,967,489
Balance available for appropriation		43,328,623	27,370,838
Appropriations:			
Dividend Distribution Tax		679,800	—
Transfer to Special Reserve under Section 45IC of RBI Act		1,202,506	1,061,257
Transfer to General Reserve		1,700,000	—
Balance carried forward to Balance Sheet		39,746,317	26,309,581
		43,328,623	27,370,838
Earning per Share of Rs. 10/- Each- Basic & Diluted (in Rs.)		4.17	5.10
Significant Accounting Policies & Notes to Accounts	19		

As per our Report of even date

For and on behalf of the Board

For Khurdia Jain & Co.
Chartered Accountants

Sunil Goyal
Managing Director

K.V.S. ShyamSunder
Director

Sampat Khurdia
Partner
M.No. : 33615

Parimal Sheth
Executive Director & CEO

Rajesh Murarka
Executive Director & CFO

Puja Mehta
Company Secretary

Mumbai
Date : 30th June, 2009

Mumbai
Date : 30th June, 2009

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

Amount (in Rs.)

Particulars	Year ended 31.03.2009	Year ended 31.3.2008
A) Cash Flow from Operating Activities		
Net profit before taxation & extraordinary items	26,468,813	29,656,968
Add/ (Less) Adjustments for:		
Depreciation	1,555,006	990,903
Interest on Loan	452,269	161,077
Preliminary & Pre operative Expenditure written off	—	72,570
Profit from Sale of Securities	(369,648)	(3,915,219)
Loss from Sale of Fixed Assets	—	111,155
(Increase)/Decrease in Inventories	4,492,348	225,617
(Increase)/Decrease in Debtors	(17,193,519)	(1,193,817)
(Increase)/Decrease in Loans and Advances	4,580,091	5,159,972
(Increase)/ Decrease in Deposits	—	(23,500,440)
Increase/(Decrease) in Advance from Clients	(687,360)	687,360
Increase/(Decrease) in Creditors	9,717,605	76,800
Increase/(Decrease) in Other Liability	(3,549,673)	3,246,173
Net Income Tax paid	(10,518,970)	(9,593,475)
Net Cash Flow from Operating Activities (a)	14,946,962	2,185,644
B) Cash Flow from Investing Activities		
Share Application Money	3,176,652	(3,600,000)
Intercompany Deposits given	(10,178,350)	12,000,000
Purchase of Securities	(12,695,781)	(52,956,267)
Sales of Securities	13,065,431	33,215,647
Investment in Partnership Firm	(3,639,835)	(4,690,130)
Investment in Mutual Fund	(10,729,245)	—
Investment in Securities	(42,493,785)	—
Sale of Fixed Assets	—	275,000
Interim Dividend & tax paid	(679,800)	—
Purchase of Fixed Assets	(1,777,878)	(5,014,584)
Net Cash Flow from Investing Activities (b)	(65,952,591)	(20,770,334)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

Amount (in Rs.)

Particulars	Year ended 31.03.2009	Year ended 31.3.2008
C) Cash Flow from Financing Activities		
Secured Loans (Net of repayment)	(38,091)	145,878
Unsecured Loans (Net of repayment)	(20,701,085)	19,040,000
Share Warrants Issued	75,600,000	—
Share Application Money Received	25,000	50,000
Issue of Share Capital	75,000	—
Proceeds towards Securities Premium Account	—	—
Interest on Loans	(452,269)	(161,077)
Preliminary & Preoperative Expenses incurred	—	(47,618)
Net Cash Flow from Financing Activities (c)	54,508,554	19,027,183
Net Increase/(Decrease) in Cash & Cash Equivalents (a+b+c)	3,502,925	442,493
Add: Cash & Cash Equivalents (Opening)	702,766	260,273
Cash & Cash Equivalents (Closing)	4,205,691	702,766

Note:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard-3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.
- Cash & Cash equivalent at the end of the year consist of cash in hand and balances with banks and are net of short term loans and advances from banks as follows:

Amount (in Rs.)

Particulars	As at 31.03.2009	As at 31.03.2008
Cash in hand	142,693	59,632
Balances with Bank	4,062,998	643,133
	4,205,691	702,766

- Figures in brackets denotes cash outflows

As per our Report of even date

For Khurdia Jain & Co.
Chartered Accountants

Sampat Khurdia
Partner
M.No. : 33615

For and on behalf of the Board

Sunil Goyal
Managing Director

Parimal Sheth
Executive Director & CEO

Puja Mehta
Company Secretary

K.V.S. ShyamSunder
Director

Rajesh Murarka
Executive Director & CFO

Mumbai
Date : 30th June, 2009

Mumbai
Date : 30th June, 2009

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2009

Amount (in Rs.)

Particulars	As at 31.03.2009	As at 31.03.2008
<u>Schedule "1" :- Share Capital</u>		
<u>Authorised</u>		
100,00,000 Equity Shares of Rs. 10/- each	100,000,000	100,000,000
<u>Issued, Subscribed & Paid-up</u>		
40,02,600 Equity Shares of Rs. 10/- each fully paid-up	40,026,000	40,026,000
	40,026,000	40,026,000
<u>Schedule "1A" :— Share Warrants</u>		
40,00,000 Warrants of Rs. 20/- each	75,600,000	—
(Each warrant carry option/entitlement to subscribe to one equity share of Rs. 10/- each at a premium of Rs. 10/- per equity share)		
(Refer Note No. C(8) of Schedule "19")		
	75,600,000	—
<u>Schedule "2" :— Reserves & Surplus</u>		
<u>General Reserve</u>		
Opening Balance	250,000	250,000
Add : Transfers during the year	1,700,000	-
Closing Balance	1,950,000	250,000
<u>Special Reserve under Section 45 IC of RBI Act</u>		
Opening Balance	2,796,583	1,735,327
Add : Transfers during the year	1,202,506	1,061,257
Closing Balance	3,999,089	2,796,583
<u>Revaluation Reserve</u>		
Opening Balance	1,088,059	1,110,919
Less: Depreciation on revalued assets	22,860	22,860
Closing Balance	1,065,199	1,088,059
Profit & Loss Account	39,746,317	26,309,582
	46,760,605	30,444,224
<u>Schedule "3" :— Secured Loans</u>		
Vehicle Loan from Banks	1,219,038	1,257,129
(Secured against respective Vehicles)	1,219,038	1,257,129
<u>Schedule "4" :— Unsecured Loans</u>		
Inter Corporate Deposits	5,228,915	25,930,000
	5,228,915	25,930,000

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2009

Schedule "5" :- Fixed Assets (At Cost less Depreciation)

Amount (in Rs.)

Description	Gross Block			Depreciation					Net Block	
	As at 01.04.2008	Additions / (Deductions) During the year	As at 31.03.2009 year	Upto 31.03.2008	Dep. on Revalued Assets	Provided for the year	Adjustment during the year	Upto 31.03.2009	As at 31.03.2009	As at 31.03.2008
Premises	2,078,750	—	2,078,750	470,064	22,860	11,024	-	503,948	1,574,802	1,608,686
Computers	2,375,822	391,335	2,767,157	1,093,553	-	593,300	-	1,686,853	1,080,304	1,282,269
Office Equipments	567,035	25,590	592,625	223,144	-	88,712	-	311,855	280,770	343,891
Furniture & Fittings	2,766,535	125,000	2,891,535	251,474	-	257,748	-	509,221	2,382,314	2,515,061
Motor Cars	3,186,114	1,197,900	4,384,014	506,831	-	485,105	-	991,936	3,392,078	2,679,283
Air Conditioners	599,552	38,053	637,605	92,513	-	119,118	-	211,631	425,974	507,039
Total	11,573,808	1,777,878	13,351,686	2,637,578	22,860	1,555,006	-	4,215,444	9,136,242	8,936,230
Previous Year	7,069,924	5,014,584	11,573,808	1,748,360	22,860	990,903	124,545	2,637,578	8,936,230	5,321,564

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2009

		Amount (in Rs.)	
Particulars	As at 31.03.2009	As at 31.03.2008	
<u>Schedule "6" :— Investments (At Cost)</u>			
Long Term Trade - in Equity Shares			
Quoted — Fully paid-up	27,821,106	16,787,831	
(Refer Note C(4) of Schedule "19")			
(Market Value Rs. 13,284,773/-; P.Y. Rs. 13,699,300/-)			
Unquoted — Fully Paid-up	45,201,902	13,741,392	
(Refer Note C(5) of Schedule "19")			
In Mutual Fund			
Fidelity Ultra Short Term Debt Fund Retail-Weekly			
Dividend option (629,848.62 Units)	6,300,102	—	
Birla Sunlife Savings Fund Inst.-Daily Dividend			
Re-Investment (259,937.40 Units)	4,429,143	—	
Abstracts			
Aggregate amount of Quoted Investments	27,821,106	16,787,830	
Aggregate Market Value of Quoted Investments	13,284,773	13,699,300	
Aggregate amount of Unquoted Investments	55,931,147	13,741,392	
In Partnership Firm			
New India Spinning Company (Fixed Capital)	18,750	18,750	
New India Spinning Company (Current Capital)	8,319,215	4,679,380	
	92,090,218	35,227,353	
<u>Schedule "7" :— Inventories</u>			
(As taken, valued and certified by the Directors)			
Stock of Shares and Securities (Refer Annexure "I")	3,709,980	8,202,328	
	3,709,980	8,202,328	
<u>Schedule "8" :— Sundry Debtors</u>			
(Unsecured, considered good)			
Debt outstanding for a period more than six months	4,876,082	819,082	
Other Debts	20,732,098	7,595,579	
	25,608,180	8,414,661	
<u>Schedule "9" :— Cash & Bank Balances</u>			
Cash in hand	142,693	59,632	
Balances with Scheduled Banks In Current Accounts	4,062,998	643,133	
	4,205,691	702,766	

SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2009

Amount (in Rs.)

Particulars	As at 31.03.2009	As at 31.03.2008
<u>Schedule "10" :— Loans & Advances</u>		
(Unsecured, considered good)		
Advance recoverable in cash or in kind	4,333,758	2,951,723
Share Application Money	423,348	3,600,000
Inter Corporate Deposits	15,651,005	5,472,655
Other Advances	1,054,665	7,806,791
Deposits	26,370,440	25,580,440
Advance Tax & TDS	22,483,078	11,964,108
	70,316,294	57,375,717
<u>Schedule "11" :— Current Liabilities & Provisions</u>		
<u>Current Liabilities</u>		
Advance from Clients	—	687,360
Sundry Creditors	9,794,405	76,800
Other Liabilities	3,768,143	7,317,816
Share Application Money Received	75,000	50,000
	13,637,548	8,131,976
<u>Provisions</u>		
Provision for Income Tax	21,811,000	12,311,000
Provision for Fringe Benefits Tax	682,116	404,499
	22,493,116	12,715,499
	36,130,664	20,847,475
<u>Schedule "12" :— Miscellaneous Expenditure</u>		
(To the extent not written off or adjusted)		
<u>Preliminary Expenses</u>		
Opening Balance	—	22,020
Add: Incurred during the year	—	47,618
Less: Written off during the year	—	69,638
Closing Balance	—	—
<u>Preoperative Expenses</u>		
Opening Balance	—	2,932
Add: Incurred during the year	—	—
Less: Written off during the year	—	2,932
Closing Balance	—	—

SCHEDULES FORMING PART OF CONSOLIDATED PROFIT & LOSS ACCOUNT AS AT 31ST MARCH, 2009

Amount (in Rs.)

Particulars	Year ended 31.03.2009	Year ended 31.03.2008
<u>Schedule "13" :— Operational Income</u>		
Financial & Management Consultancy Fees (TDS Rs. 8,754,093 ; P.Y. Rs. 7,160,736)	64,100,945	45,255,043
Sale of Shares	5,873,907	280,893
Interest on Loans (TDS Rs. 652,138; P.Y Rs. 597,314)	3,093,834	2,777,223
Profit from dealing in Shares	121,058	—
Brokerage & Commission (TDS Rs. 4,742; Previous Period Rs. Nil)	2,108,856	92,355
Profit on Sale of Investments	211,851	3,915,219
Profit on Sale of Mutual Funds	71,221	—
	75,581,672	52,320,733
<u>Schedule "14" :— Other Income</u>		
Dividend	831,369	47,400
Share of Profit from Partnership Firm	164,835	—
	996,204	47,400
<u>Schedule "15" :— Increase/ (Decrease) in Stocks</u>		
Closing Stock of Shares & Securities	3,709,980	8,202,328
Less : Opening Stock of Shares & Securities	8,202,328	8,427,945
	(4,492,348)	(225,617)
<u>Schedule "16" :— Employee Costs</u>		
Salaries & Bonus	10,376,357	4,666,085
Director's remuneration	4,800,000	—
Staff Training Expenses	89,400	69,150
Sitting Fees	21,000	-
Staff Welfare Expenses	255,287	128,959
	15,542,044	4,864,194

SCHEDULES FORMING PART OF CONSOLIDATED PROFIT & LOSS ACCOUNT AS AT 31ST MARCH, 2009

Amount (in Rs.)

Particulars	Year ended 31.03.2009	Year ended 31.03.2008
<u>Schedule "17" :— Administrative & Other Expenses</u>		
Rent, Rates & Taxes	2,563,391	2,633,100
Insurance Expenses	65,001	57,645
Printing & Stationery	257,919	182,901
Communication Costs	584,901	478,583
Travelling & Conveyance	338,041	347,094
Vehicle Maintenance Expenses	1,150,324	879,027
Electricity Expenses	347,695	298,443
Auditors Remuneration	56,030	50,618
Legal & Professional Charges	11,701,677	6,889,284
Bad Debts Written Off	507,660	1,321,705
Office Expenses	441,810	444,779
Business Promotion Expenses	1,426,785	867,404
Loss on Sale of Fixed Assets	—	111,155
Miscellaneous Expenses	464,545	292,727
Preliminary Expenses written-off	—	72,570
	19,905,777	1,49,27,034
<u>Schedule "18" :— Financial Expenses</u>		
Bank Charges	21,393	17,104
Interest on Car Loan	142,764	130,086
Other Interest	582,154	30,991
	746,311	178,181

Schedule '19' Significant Accounting Policies and Notes to the Accounts**A) Significant Accounting Policies****i. Basis of Consolidation :**

The consolidated financial results comprise of the financial statements of Ladderup Finance Limited (LFL) and its subsidiaries Ladderup Corporate Advisory Private Limited (LCAPL) and Ladderup Wealth Management Private Limited (LWMPL), which are consolidated in accordance with the Accounting Standard-21 on "Consolidated Financial Statements" issued by the Companies (Accounting Standards) Rules, 2006.

The Consolidated Financial Statements related to Ladderup Finance Limited ("the Company") and its subsidiary companies have been prepared on the following basis:

- a. The Financial statements of the Company and its subsidiaries have been combined on a line by line basis by adding together the balances of like items of assets, liabilities, incomes and expenditures after fully eliminating the intra group balances and intra group transactions resulting in unrealized profit or loss.
- b. The Consolidated Financial Statements have been prepared using uniform accounting policies like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Company's separate financial statements except :

In case of the Company

- a. Depreciation and Fixed assets is provided on straight-line method at the rates in the manner as specified in Schedule XIV of the Companies Act, 1956.
- b. Depreciation on revalued assets to the extent of revaluation is charged from Revaluation Reserve.

In case of Ladderup Corporate Advisory Private Limited

Depreciation on Fixed assets is provided on straight line method considering estimated useful lives of respective assets and their estimated residual value as under :

Sr.No.	Description of Assets	Estimated useful life	Residual Value (% of Cost)
1	Computers	3 Years	10%
2	Office Equipments	3 Years	Nil
3	Furniture & Fittings	10 Years	Nil
4	Motor Cars	5 Years	25%
5	Air Conditioners	3 Years	Nil

In case of Ladderup Wealth Management Private Limited

Depreciation on Fixed assets is provided on straight line method considering estimated useful lives of respective assets and their estimated residual value as under :

Sr.No.	Description of Assets	Estimated useful life	Residual Value (% of Cost)
1	Computers	3 Years	10%

- iii. The excess of the cost of the Company, if any, of its investments in the subsidiaries over its portion of equity of subsidiaries at the dates they become subsidiaries is recognized in the financial statement as Goodwill.

- iv. The excess of Company's portion of equity of the subsidiaries over the cost to the Company of its investments, if any, as at the dates they become subsidiaries is recognized in the financial statements as Capital Reserve.

ii. Other Significant Accounting Policies

These are set out in the notes to accounts under significant accounting policies for financial statements of respective companies – Ladderup Finance Limited, Ladderup Corporate Advisory Private Limited and Ladderup Wealth Management Private Limited.

B) Companies included in Consolidated Financial Statements are

Name of the Company	Country of Incorporation	% of Voting power held as at 31.03.2009
Ladderup Corporate Advisory Private Limited	India	100%
Ladderup Wealth Management Private Limited	India	85%

C) Notes to Accounts

1) Segment Information :

In accordance with the requirements of Accounting Standard-17 "Segment Reporting", issued by the ICAI/Companies (Accounting Standards) Rules, 2006, the Company's business can be classified into four segments namely Investment & Trading in shares and securities, Financial & Management Consultancy, Finance Activities and Investment Advisory Services. The information about all the segment is given in Annexure "II" to the Notes to Accounts.

2) Earning Per Share :

In accordance with Accounting Standard 20–Earning Per Share issued by the ICAI/Companies (Accounting Standards) Rules, 2006, the computation of earning per share is set out below:

		Amount (in Rs.)	
Sr. No.	Particulars	As at 31.03.2009	As at 31.03.2008
A	Weighted average number of Equity Shares of Rs. 10 each		
(i)	Number of Shares at the beginning of the year	4,002,600	4,002,600
(ii)	Number of Shares at the end of the year	4,002,600	4,002,600
(iii)	Weighted average number of Shares outstanding during the year	4,002,600	4,002,600
B	Net Profit / (loss) after tax available for equity shareholders	16,701,629	20,403,349
C	Basic & Diluted Earning Per Share (B/A (iii))	4.17	5.10

3) Related Parties:

For the year ended 31st March 2009.

a. Key Management Personnel:

Mr. Sunil Goyal	Managing Director
Mr. Manoj Singrodia	Director
Mr. Parimal Sheth	Director
Mr. K.V.S. ShyamSunder	Director
Mr. Rajesh Murarka	Director
Mr. Saurabh Agarwal*	Director
Mr. Burzin Somandy	Director
Mr. Dhaval Desai	Director
Mr. K. M. Tulsian	Director
Mr. Hemang Jangla	Director
Mr. T.B. Subramanian	Director
Mr. Narayan Pasari	Director of Subsidiary Company
Mr. Nitesh Dhandharia	Director of Subsidiary Company

* Resigned with effect from 30th September, 2008

b. Relatives of Key Management Personnel:

Mrs. Usha Goyal	Relative of Director
Mrs. Santosh Singrodia	Relative of Director

c. Name of the Enterprises having same Key Management Personnel with whom the Company has entered into transactions during the year:

Havmore Financial Services India Limited
 Precious Real Estate Private Limited
 Jay Ambe Enterprises
 Invent Bio-Med Private Limited
 Jumbo King Foods Private Limited
 Parag Milk Foods Private Limited
 Structmast Realtors Private Limited
 Kisan Mouldings Limited

d. Associates:

M/s. Singrodia Goyal & Co.	Partnership Firm
M/s. New India Spinning Co.	Partnership Firm
Ladderup Securities Private Limited	Associate

SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2009

Amount (in Lacs)

Nature of Transaction	Refer to (a) above		Refer to (b) above		Refer to (c) above		Refer to (d) above	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
Directors Remuneration	65.50	16.80	Nil	Nil	Nil	Nil	Nil	Nil
Directors Sitting Fees	0.21	0.16	Nil	Nil	Nil	Nil	Nil	Nil
Professional Charges Paid	Nil	Nil	Nil	Nil	Nil	Nil	10.50	12.25
Finance & Management Consultancy Fees received	Nil	Nil	Nil	Nil	Nil	Nil	Nil	4.45
Interest Received	Nil	Nil	Nil	Nil	14.91	16.28	Nil	Nil
Unsecured Loan taken	Nil	1.58	Nil	Nil	Nil	Nil	190.70	175.93
Repayment of Loan taken	Nil	1.58	Nil	Nil	Nil	Nil	374.95	50.52
Loans Granted	Nil	Nil	Nil	Nil	Nil	50.00	Nil	Nil
Rent Deposit Paid	Nil	Nil	Nil	Nil	Nil	111.50	Nil	Nil
Rent Paid	0.51	1.53	0.51	1.53	23.28	23.28	Nil	Nil
Allocation of Expenses	Nil	Nil	Nil	Nil	Nil	Nil	2.28	1.02
Capital Contribution in Partnership firm	Nil	Nil	Nil	Nil	Nil	Nil	36.39	49.90
Shares Sold	Nil	Nil	Nil	Nil	Nil	4.90	Nil	Nil
Investment made	Nil	Nil	Nil	Nil	125.98	137.41	Nil	Nil
Share Application Money received	1.00	0.50	Nil	Nil	Nil	Nil	Nil	Nil
Shares Allotted	0.75	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Share Application Money Paid	Nil	Nil	Nil	Nil	4.13	Nil	Nil	Nil
Corporate finance fees	Nil	Nil	Nil	Nil	52.66	9.04	Nil	Nil
Outstanding amount paid	Nil	Nil	Nil	Nil	Nil	Nil	12.20	Nil

Amount Outstanding as on 31st March, 2009

- Loans Payable	Nil	Nil	Nil	Nil	Nil	Nil	Nil	184.25
- Loans Receivable	Nil	Nil	Nil	Nil	51.80	63.00	Nil	Nil
- Outstanding Payable	Nil	Nil	Nil	Nil	Nil	Nil	Nil	12.20
- Outstanding Receivable	Nil	Nil	Nil	Nil	42.84	6.53	Nil	Nil
- Rent Deposit	8.00	8.00	12.35	12.35	235.00	235.00	Nil	Nil
- Investment in Partnership Firm	Nil	Nil	Nil	Nil	Nil	Nil	83.37	46.98
- Other Investments	Nil	Nil	Nil	Nil	263.39	137.41	Nil	Nil
- Share Application Money	0.75	0.50	Nil	Nil	Nil	Nil	Nil	Nil

Note : Related Parties as disclosed by Management and relied upon by auditors.

4) Details of Equity shares of various listed Companies held by the Company, as referred to in Schedule "6" are as under :

Sr. No.	Name of the Company	Face Value (in Rs.)	As at 31.03.2009		As at 31.03.2008	
			Nos.	Value (in Rs.)	Nos.	Value (in Rs.)
1	Adlabs Films Limited	10	350	64,064	-	-
2	Andhra Sugars Limited	10	2,500	2,75,656	-	-
3 a.	Areva T&D India Limited	10	1,000	1,167,006	1,000	1,167,006
3 b.	Areva T&D India Limited	10	4,000	Bonus	-	-
4	Bajaj Hindustan Limited	1	2,000	1,02,695	1,000	170,691
5	Capman Financials Limited	10	50,000	500,000	50,000	500,000
6	Fame India Limited	10	81,000	5,162,126	70,000	4,977,955
7	Fortis Healthcare Limited	10	5,000	374,026	4,000	310,880
8	GMR Infrastructure Limited	2	5,000	1,024,893	5,000	1,024,893
9	Graphite India Limited	10	2,000	76,194	-	-
10	HEG Limited	10	5,500	976,343	1,500	468,136
11	Idea Cellular Limited	10	11,000	695,662	-	-
12	IMP Powers Limited	10	3,000	126,276	-	-
13	Kotak Mahindra Bank Limited	10	1,000	364,761	-	-
14	Larsen & Toubro Limited	10	2,400	2,940,915	-	-
15	Nesco Limited	10	2,456	2,104,577	500	689,247
16	Neyveli Lignite Corporation Limited	10	5,000	540,225	1,500	199,949
17	Nicco Corporation Limited	2	15,000	583,937	15,000	583,937
18	NTPC Limited	10	8,000	1,365,179	5,000	1,031,158
19	Power Grid Corporation of India Limited	10	10,000	709,303	4,000	473,249
20	Punj Lloyd Limited	10	5,000	818,450	-	-
21	Reliance Communications Limited	5	3,000	1,534,714	1,000	673,580
22	Reliance Petroleum Limited	10	6,000	1,239,374	6,000	1,239,374
23	Repro India Limited	10	18,242	2,235,882	14,000	1,940,154
24	Satyam Computer Services Limited	10	4,500	782,525	-	-
25	Sesa Goa Limited	10	2,500	444,823	-	-
26	Sakthi Sugar Limited	10	10,100	942,001	5,500	445,213
27	Shipping Corporation of India Limited	10	-	-	1,000	222,906
28	Videocon Industries Limited	10	1,000	669,502	1,000	669,502
	TOTAL		266,548	27,821,106	187,000	16,787,830

SCHEDULES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2009

- 5) Details of Equity Shares of various un-listed Companies held by the Company, as referred to in Schedule "6" are as under :

Amount (in Rs.)

Sr. No.	Name of the Company	Face Value (in Rs.)	As at 31.03.2009		As at 31.03.2008	
			Nos.	Value (in Rs.)	Nos.	Value (in Rs.)
1	Invent Bio-Med Private Limited	10	40,000	4,000,000	40,000	4,000,000
2	Jumbo King Foods Private Limited	10	73,981	7,838,902	64,230	7,741,392
3	Precious Real Estate Private Limited	10	200,000	2,000,000	200,000	2,000,000
4	Tops Security Limited	10	40,900	2,863,000	-	-
5	Parag Milk Foods Private Limited	10	50,000	12,500,000	-	-
6	Mobile Magic Private Limited	10	137,894	16,000,000	-	-
	TOTAL		542,775	45,201,902	3,04,230	13,741,392

6) **Taxes on Income:**

- Provision for taxation for the year has been made in accordance with the provisions of the Income-tax Act, 1961.
- In terms of Accounting Standard 22 "Accounting for Taxes on Income" issued by the ICAI/Companies (Accounting Standard) Rules, 2006, Company has recognized Deferred Tax Assets amounting to Rs. 10,434/- for the year ended 31st March 2009 in the Profit & Loss Account.

The balance in Net Deferred Tax Liability comprises of:

(Amount in Rs.)

Particulars	As at 31.03.2009	As at 31.03.2008
Deferred Tax Liability / (Assets)		
Depreciation	3,45,833	3,66,262
Preliminary Expenses	(2,040)	(2,596)
Carried Forward Losses	Nil	(9,439)
Deferred Tax Liability/ (Assets) [Net]	343,793	354,227

- 7) The Balances and classification of Sundry Debtors, Loans and advances, Sundry Creditors and other liabilities shown in the Financial Statements are as per the ledger and are subject to confirmation and consequent reconciliation and adjustment.
- 8) During the year, the Company had issued, on preferential basis, 40 Lacs convertible warrants to promoter group and other investors. Each warrant shall be convertible into one equity share of the Company at a price of Rs. 20/- per share i.e. at a premium of Rs. 10/- per share within 18 months of their allotment. The Company had received Rs. 756 Lacs towards partial/full subscription towards the warrants. Out of the proceeds received the Company has utilised Rs. 745.46 Lacs towards the objects as mentioned in the offer document. Pending utilisation, the balance funds of Rs. 10.54 Lacs has been temporarily lying with Bank in current account.
- 9) Figures of previous year have been regrouped, reclassified and / or rearranged wherever necessary.

As per our Report of even date

For Khurdia Jain & Co.
Chartered Accountants

Sampat Khurdia
Partner
M.No. : 33615

Mumbai
Date : 30th June, 2009

For and on behalf of the Board

Sunil Goyal
Managing Director

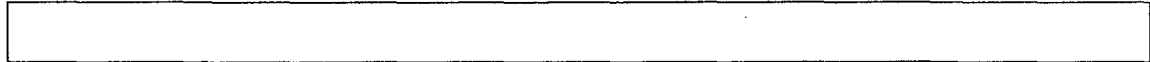
Parimal Sheth
Executive Director & CEO

Puja Mehta
Company Secretary

Mumbai
Date : 30th June, 2009

K.V.S. ShyamSunder
Director

Rajesh Murarka
Executive Director & CFO

**Annexure 'I'**Details of Closing Stock of Shares and Securities as at 31st March, 2009

Particulars	As at 31.03.2009		As at 31.03.2008	
	Nos.	Value (Rs.)	Nos.	Value (Rs.)
Sunflag Iron & Steel Limited	350	2,328	350	2,328
Vandana Hitech Systems Private Limited	12,800	3,200,000	12,800	32,00,000
Vinayaka Capsec Private Limited	-	-	500,000	5,000,000
L&T	600	5,07,652		
Total	13,750	3,709,980	513,150	8,202,328

CONSOLIDATED SEGMENT INFORMATION FOR THE YEAR ENDED 31ST MARCH, 2009

Annexure 'II'

Amount (in Rs.)

Particulars	Investment & Trading Activities	Consultancy Services	Finance Activities	Investment Advisory Services	Total
Revenue					
External sales	7,274,241	64,100,945	3,093,834	2,108,856	76,577,876
Inter segment sales	-	-	-	-	-
Total Revenue	7,274,241	64,100,945	3,093,834	2,108,856	76,577,876
Result					
Segment Result	(5,085,683)	33,651,998	3,094,728	(2,057,229)	29,603,812
Unallocated Income					-
Unallocated corporate Expense					3,135,000
Profit before tax					26,468,812
Income taxes					9,500,000
Fringe Benefits Tax					277,618
Deferred tax					(10,434)
Net Profit					16,701,629
Other Information					
Segment Assets	95,800,197	24,686,447	70,316,294	1,164,146	191,967,085
Unallocated Corporate Assets					13,341,932
Total Assets					205,309,017
Segment Liabilities	-	13,637,547	75,600,001	-	89,237,548
Unallocated Corporate liabilities					28,941,069
Deferred Tax Liabilities					343,793
Total liabilities					118,522,410

CONSOLIDATED SEGMENT INFORMATION FOR THE YEAR ENDED 31ST MARCH, 2008

Amount (in Rs.)

Particulars	Investment & Trading Activities	Consultancy Services	Finance Activities	Investment Advisory Services	Total
Revenue					
External sales	4,243,512	45,255,043	1,445,092	92,355	51,036,002
Inter segment sales	-	-	-	-	-
Total Revenue	4,243,512	45,255,043	1,445,092	92,355	51,036,002
Result					
Segment Result	2,315,632	27,893,884	1,445,092	(31,485)	31,623,123
Unallocated Income					1,332,131
Unallocated Corporate Expense					3,298,286
Profit before tax					29,656,968
Income taxes					8,912,000
Fringe Benefits Tax					205,499
Deferred tax					136,120
Net Profit					20,403,349
Other Information					
Segment Assets	49,004,634	45,177,618	13,279,446	231,561	107,693,259
Unallocated Corporate Assets					11,165,796
Total Assets					118,859,055
Segment Liabilities	-	25,782,081	-	113,545	25,895,626
Unallocated Corporate liabilities					22,088,978
Deferred Tax Liabilities					354,227
Total liabilities					48,338,831

DIRECTORS' REPORT

To,
The Members,

Your Directors have pleasure in presenting the 3rd Annual Report of Ladderup Corporate Advisory Private Limited together with the Audited Statements of the Accounts for the year ended 31st March, 2009.

1. FINANCIAL RESULTS:

	Amount (in Lacs)	
	2008 - 2009	2007- 2008
Operational and other Income	654.92	464.87
Profit before Depreciation & Tax	270.79	238.12
Less: Depreciation	10.26	5.19
Profit before tax	260.53	232.93
Less: Provision for taxation	90.50	78.10
Less: Provisions for Fringe Benefits Tax	2.27	1.70
Less/ (Add): Deferred tax for the year	(0.29)	1.83
Profit/ (Loss) for the year	168.05	151.28

2. PERFORMANCE :

The Company has shown remarkable growth even in times of global recession. The Company's main focus is on fee-based activities which includes Debt Syndication, IPO Advisory, Private Equity Placements, Mergers & Acquisitions, Corporate Restructuring and host of other corporate advisory services. The Company has achieved fees-based revenue of Rs. 654.92 Lacs for the financial year ended 2008-09 with a growth of 40.88% over the previous year. The Company has earned a profit before tax of Rs. 260.53 Lacs for the financial year ended 2008-09 which is an increase of 11.86% over the last year.

During the year, the Company has successfully completed many big ticket debt syndications, couple of private equity deals and M&A's transactions. The Company has also participated in an IPO as an Advisor. All this augurs well for the Company which has laid down a strong foundation for future growth. The Company is also strengthening its team by appointing senior personnel at various levels. The Company has a strong pipeline of mandates for mergers and acquisitions, private equity, project financing and IPO advisory in the current year. With zero leverage, no risky exposures, high capital availability, strong pipeline of mandates and excellent client relationships, the Company is confident of its ability to deal with opportunities and challenges that lie ahead. The Company is also planning to expand its wing by venturing into merchant banking activities and broaden its horizon.

3. DIVIDEND:

Since the Company will be required to plough back the profits in order to fund the future growth plans, the Board does not recommend any dividend for the year under review.

4. FIXED DEPOSITS:

The company has not accepted any deposits from the public during the year pursuant to the provisions of section 58A of the Companies Act, 1956.

5. DIRECTORS:

Shri K.V.S. ShyamSunder and Shri Rajesh Murarka, Directors of the Company retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offer themselves for re-appointment.

Shri Saurabh Agarwal has resigned from the Board w.e.f. 30th September, 2008.

DIRECTORS' REPORT

6. DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirements under Section 217(2AA) of the Companies Act, 1956 the Board of Directors confirms that:

- a) In the preparation of accounts, the applicable accounting standards have been followed.
- b) Accounting Policies selected have been applied consistently and judgements made and estimates given are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2009 and the Profit of the Company for the year ended 31st March, 2009.
- c) *Proper and sufficient care have been taken for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.*
- d) The Annual accounts have been prepared on a going concern basis.

7. AUDITORS:

M/s. Khurdia Jain & Co., Chartered Accountants, Mumbai being Statutory Auditors of the Company retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

8. PARTICULARS OF EMPLOYEES:

There are no employees whose particulars are required to be given under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

9. AUTHORISED SHARE CAPITAL:

Pursuant to the expansion plan of the Company, the authorized share capital has been increased from Rs. 10,00,000 to Rs. 30,00,000. Thereafter, the Company has allotted 1,90,000 shares of Rs. 10/- each at a premium of Rs. 90/- each, increasing the paid-up share capital to Rs. 29,00,000.

10. INFORMATION ON ENERGY CONSERVATION AND FOREIGN EXCHANGE:

Information required to be given under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 does not apply to your Company. There was no foreign exchange earning or outgo during the year.

11. APPRECIATION:

Your Directors wish to thank all the shareholders, bankers and clients for lending their support in various activities of the Company. Your Directors would like to place on record their appreciation to all the employees for their continued support towards the growth of the company.

Date : 29th July, 2009
Place : Mumbai
Regd. Office : A-204 Rajeshri Accord,
Telly Cross Lane, Off S.N. Road,
Andheri (E),
Mumbai – 400 069.

For and on behalf of the Board

Parimal Sheth
Executive Director

AUDITORS' REPORT

To,
The Members,

We have audited the attached Balance Sheet of Ladderup Corporate Advisory Private Limited as at 31st March 2009 and also the annexed Profit and Loss Account and 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.

1. 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 misstatements. 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.
2. As required by the Companies (Auditors Report) Order, 2003 and amendment thereto issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in the paragraphs 4 and 5 of the said Order.
3. Further to our comments in the Annexure referred to 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 purpose of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company as it appears from our examination of such books.
 - c) The Company's Balance Sheet and Profit & Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
 - d) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and the Profit and Loss Account and the Cash Flow Statement comply in all material aspects with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 except, Accounting Standard 15 (AS – 15) relating to Accounting of Employee Benefits (as referred to in Note no: A(10) of Schedule "16")
 - e) On the basis of written representation received from the directors as on 31st March 2009 and taken on record by the Board, we report that none of the directors is disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of subsection (1) of section 274 of the Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with other notes thereon give the information required by the Companies Act, 1956 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 the state of affairs of the Company as at 31st March, 2009 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 case of Cash flow statement, of the cash flows for the year ended on that date.

For Khurdia Jain & Co.
Chartered Accountants

Sampat Khurdia
Partner

Mem. No. : 033615

Place : Mumbai
Date : 30th June, 2009

ANNEXURE TO AUDITOR'S REPORT

Annexure referred to in Paragraph 2 of the Auditors Report to the members of **Ladderup Corporate Advisory Private Limited** for the year ended 31st March 2009. As required by the Companies (Auditors Report) Order, 2003 and amendments thereto and according to the information and explanations given to us during the course of the audit and on the basis of such checks of the books and records as were considered appropriate we report that:

- (i) a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
b) As explained to us, all the fixed assets have been physically verified by the management during the year and no material discrepancies have been noticed on such physical verification.
c) The Company has not disposed off any fixed assets during the year.
- (ii) a) Since the Company is a service Provider Company and does not maintain any inventory clause 4(ii) (a), (b) and (c) of the said Order are not applicable.
- (iii) a) The Company has not granted any loans secured or unsecured to any party covered in the register maintained under section 301 of the Companies Act, 1956.
b) In view of our comments in para iii (a) above, clauses 4 (iii) (b) (c) and (d) of the said Order are not applicable.
c) The Company has taken unsecured loans from two parties including Holding Company (payable on call basis) covered in the register maintained under section 301 of the Companies Act, 1956. The aggregate maximum amount involved during the year was Rs. 104.89 Lacs. The year end balance of such loans was Rs. 18.00 Lacs.
d) The said loans are Interest free. Other terms and conditions on which the loan has been taken is prima facie, not prejudicial to the interest of the Company.
e) In view of our comments in para (iii) (c) and (d) above, clause 4 (iii) (g) of the said Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanation given to us there is adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and for the sale of services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control systems.
- v) (a) Based on our audit procedures performed by us, we are of the opinion that particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section..
(b) The transaction made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regards to prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public.
- (vii) The Company does not have a formal internal audit system commensurate with its size and natures of its business but its financial and other internal checks, ensures proper recording of the financial transactions.
- (viii) The Central Government has not prescribed for maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 for the Company.
- (ix) a) The Company is regular in depositing undisputed statutory dues including income tax and service tax with appropriate authorities. There are no arrears of outstanding of these dues as at the last day of the financial year for a period of more than six months from the date they became payable. The laws relating to provident fund, investor education protection

ANNEXURE TO AUDITOR'S REPORT

fund, employee state insurance, sales tax, wealth tax, custom duty, excise duty and cess do not apply to the Company for the year under report.

- b) According to the information and explanations given to us, the Company has no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited on account of disputes with the related authorities.
- (x) The Company is not in existence for more than five years and hence the provisions of the clause 4 (x) of the order is not applicable for the year under report.
- (xi) The Company has not taken any loan from banks and financial institutions.
- (xii) The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
- (xiii) The provisions of any Special Statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund/ Societies are not applicable to the Company.
- (xiv) According to the information and explanation given to us the Company is not dealing or trading in shares, securities, debentures or other investments.
- (xv) The Company has not given any guarantees for loan taken by others from banks and financial institutions.
- (xvi) As per the information and explanations given to us, the Company has not raised any new term loans during the year.
- (xvii) On an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long term investments.
- (xviii) The Company has made preferential allotment of shares to Holding Company covered in the register maintained under Section 301 of the Companies Act, 1956. In our opinion, the price at which the shares have been issued is not prejudicial to the interest of the Company.
- (xix) The Company has not issued any debentures during the year.
- (xx) The Company has not raised any money by way of public issue during the year.
- (xxi) There were no frauds on or by the Company noticed or reported during the course of our audit during the year.

For **Khurdia Jain & Co.**
Chartered Accountants

Sampat Khurdia
Partner

Mem. No. : 033615

Place : Mumbai
Date : 30th June, 2009

BALANCE SHEET AS AT 31ST MARCH, 2009

Amount (in Rs.)

Particulars	Schedules	As at 31.03.2009	As at 31.03.2008
I Sources of Funds			
Shareholders Funds			
Share Capital	1	2,900,000	1,000,000
Reserves & Surplus	2	44,354,074	15,128,687
Loans Funds			
Secured Loans	3	1,109,963	696,212
Unsecured Loans	4	1,800,000	12,265,000
Deferred Tax Liabilities (Net)		154,276	183,276
		50,318,313	29,273,175
II Application of Funds			
Fixed Assets	5		
Gross Block		6,344,819	4,899,784
Less: Depreciation		1,546,080	519,684
Net Block		4,798,739	4,380,100
Investments	6	3,700,000	-
Current Assets, Loans & Advances			
Sundry Debtors	7	24,652,775	8,262,395
Cash & Bank Balances	8	1,899,199	511,350
Loans & Advances	9	44,876,049	31,944,839
		71,428,023	40,718,583
Less : Current Liabilities & Provisions	10	29,608,449	15,825,508
Net Current Assets		41,819,574	24,893,075
Miscellaneous Expenditure	11	-	-
(To the extent not written off or adjusted)		50,318,313	29,273,175
Significant Accounting Policies & Notes to Accounts	16		

As per our Report of even date

For and on behalf of the Board

For Khurdia Jain & Co.
Chartered Accountants

Sunil Goyal
Managing Director

K.V.S. ShyamSunder
Director

Sampat Khurdia
Partner
M.No. : 33615

Parimal Sheth
Executive Director

Rajesh Murarka
Executive Director

Mumbai
Date : 30th June, 2009

Mumbai
Date : 30th June, 2009

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

Amount (in Rs.)

Particulars	Schedules	Year ended 31.03.2009	Year ended 31.03.2008
I. <u>Income</u>			
Operational & Other Income	12	65,491,526	46,487,174
		65,491,526	46,487,174
II. <u>Expenditure</u>			
Employees Costs	13	11,116,614	3,727,070
Administrative and Other Expenses	14	26,999,751	18,856,009
Financial Expenses	15	295,186	92,447
Depreciation		1,026,396	519,684
		39,437,947	23,195,210
Profit before tax		26,053,579	23,291,964
Less : Provision for Tax			
- Current Tax		9,050,000	7,810,000
- Deferred Tax Liability/(Assets)		(29,000)	183,276
- Fringe Benefits Tax		227,392	170,000
		16,805,187	15,128,687
Profit after Tax		16,805,187	15,128,687
Balance brought forward from previous year		15,128,687	—
Profit Available for Appropriations		31,933,874	15,128,687
Appropriations			
Interim Dividend		4,000,000	—
Dividend Distribution Tax		679,800	—
Transfer to General Reserve		1,700,000	—
		25,554,074	15,128,687
Profit transferred to Balance Sheet		25,554,074	15,128,687
Earning Per Share of Rs. 10/- each - Basic & Diluted		167.18	198.68
Significant Accounting Policies & Notes to Accounts	16		
As per our Report of even date		For and on behalf of the Board	
For Khurdia Jain & Co. Chartered Accountants		Sunil Goyal Managing Director	K.V.S. ShyamSunder Director
Sampat Khurdia Partner M.No. : 33615		Parimal Sheth Executive Director	Rajesh Murarka Executive Director
Mumbai Date : 30th June, 2009		Mumbai Date : 30th June, 2009	

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

Amount (in Rs.)

Particulars	Year ended 31.03.2009	Year ended 31.3.2008
A) Cash Flow from Operating Activities		
Net profit before taxation & extraordinary items	26,053,579	23,291,964
Add/(Less) Adjustments for:		
Depreciation	1,026,396	519,684
Interest on Loan	114,871	80,533
Preliminary & Preoperative Expenses Written Off	-	37,256
(Increase)/Decrease in Debtors	(16,390,381)	(8,262,395)
Increase/(Decrease) in Advance from Clients	(687,360)	687,360
(Increase)/Decrease in Other advances	(2,211,203)	(1,364,007)
Increase/(Decrease) in Other Liability	5,192,909	7,137,286
(Increase)/ Decrease in Deposits	-	(23,500,440)
Net Income Tax paid	(8,846,237)	(7,074,392)
Net Cash Flow from Operating Activities (a)	4,252,574	(8,447,151)
B) Cash Flow from Investing Activities		
Inter Corporate Deposit Given	(1,873,770)	12,000,000
Purchase of Fixed Assets	(1,445,035)	(4,899,784)
Investments in Mutual Fund	(3,700,000)	—
Interim Dividend & tax paid	(4,679,800)	—
Net Cash Flow from Investing Activities (b)	(11,698,605)	7,100,216

Amount (in Rs.)

Particulars	Year ended 31.03.2009	Year ended 31.3.2008
C) Cash Flow from Financing Activities		
Proceeds/(Repayment) of Unsecured Loans	(10,465,000)	1,249,000
Issue of Share Capital	1,900,000	900,000
Proceeds towards Share Premium Account	17,100,000	—
Proceeds/(Refund) of Share Application Money	—	(900,000)
Secured Loans (Net of repayment)	413,751	696,212
Interest on Loans	(114,871)	(80,533)
Preliminary and Properative Expenses incurred	-	(12,304)
Net Cash Flow from Financing Activities (c)	8,833,879	1,852,375
Net Increase/(Decrease) in Cash & Cash Equivalents (a+b+c)	1,387,849	505,440
Add: Cash & Cash Equivalents (Opening)	511,350	5,910
Cash & Cash Equivalents (Closing)	1,899,199	511,350

Note:

1. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.
2. Cash & Cash equivalent at the end of the year consist of cash in hand and balances with banks and are net of short term loans and advances from banks as follows:

Amount (in Rs.)

Particulars	Year ended 31.03.2009	Year ended 31.3.2008
Cash in hand	80,870	7,351
Balances with Bank	1,818,329	503,999
	1,899,199	511,350

As per our Report of even date

For and on behalf of the Board

For **Khurdia Jain & Co.**
Chartered Accountants

Sunil Goyal
Managing Director

K.V.S. ShyamSunder
Director

Sampat Khurdia
Partner
M.No. : 33615

Parimal Sheth
Executive Director

Rajesh Murarka
Executive Director

Mumbai
Date : 30th June, 2009

Mumbai
Date : 30th June, 2009

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009

Amount (in Rs.)

Particulars	As at 31.03.2009	As at 31.03.2008
Schedule "1" :- Share Capital		
<u>Authorised</u>		
300,000 (P.Y. 100,000) Equity Shares of Rs. 10/- each	3,000,000	1,000,000
<u>Issued, Subscribed & Paid-up</u>		
290,000 (P.Y. 100,000) Equity Shares of Rs. 10/- each fully paid-up (All the shares are held by the Holding Company Ladderup Finance Limited and its nominees)	2,900,000	1,000,000
	2,900,000	1,000,000
Schedule "2" :- Reserves & Surplus		
<u>General Reserve</u>		
Opening Balance	—	—
Add : Additions during the year	1,700,000	—
Closing Balance	1,700,000	—
<u>Securities Premium Account</u>		
Opening Balance	—	—
Add : Additions during the year	17,100,000	—
Closing Balance	17,100,000	—
Profit & Loss Account	25,554,074	15,128,687
	44,354,074	15,128,687
Schedule "3" :- Secured Loans		
Vehicle Loan from Vijaya Bank	404,814	696,212
Vehicle Loan from HDFC Bank	705,149	—
(Secured against respective vehicles)		
	1,109,963	696,212
Schedule "4" :- Unsecured Loans		
From Holding Company	1,800,000	—
Inter Corporate Deposit	—	12,265,000
	1,800,000	12,265,000

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009

Schedule "5" :- Fixed Assets (At Cost less Depreciation)

Amount (in Rs.)

Particulars	Gross Block			Depreciation				Net Block	
	Rate of Depreciation	As at 01.04.2008	Additions/ (Deductions) During the year	As at 31.03.2009	Upto 31.03.2008	Provided for the year	Upto 31.03.2009	As at 31.03.2009	As at 31.03.2008
Computers	30%	1,073,537	122,135	1,195,672	167,215	339,296	506,511	689,161	906,322
Office Equipments	33.33%	214,185	-	214,185	36,283	71,388	107,671	106,514	177,902
Furniture & Fittings	10%	2,018,102	125,000	2,143,102	106,841	210,372	317,213	1,825,889	1,911,261
Motor Cars	15%	1,293,960	1,197,900	2,491,860	150,608	305,351	455,959	2,035,901	1,143,352
Air Conditioners	33.33%	300,000	-	300,000	58,737	99,990	158,727	141,273	241,263
Total		4,899,784	1,445,035	6,344,819	519,684	1,026,396	1,546,080	4,798,739	4,380,100
Previous Year		-	-	4,899,784	-	519,684	519,684	4,380,100	-

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009

Particulars	Amount (in Rs.)	
	As at 31.03.2009	As at 31.03.2008
<u>Schedule "6" :- Investments</u>		
Short Term Investment		
Fidelity Ultra Short-term Debt Fund -Retail Weekly Dividend Option (Units 369,911.22)	3,700,000	—
	3,700,000	—
<u>Schedule "7" :- Sundry Debtors</u>		
(Unsecured, considered good)		
Debts outstanding for a period more than six months	4,842,410	748,570
Other Debts	19,810,365	7,513,825
	24,652,775	8,262,395
<u>Schedule "8" :- Cash & Bank Balances</u>		
Cash in hand	80,870	7,351
Balances with Scheduled Banks in Current Account	1,818,329	503,999
	1,899,199	511,350
<u>Schedule "9" :- Loans & Advances</u>		
(Unsecured, considered good)		
Advances recoverable in cash or in kind for value to be received	3,581,210	1,370,007
Inter Corporate Deposits	1,873,770	-
Deposits	23,500,440	23,500,440
Advance Tax & TDS	15,920,629	7,074,392
	44,876,049	31,944,839
<u>Schedule "10" :- Current Liabilities & Provisions</u>		
Current Liabilities		
Advance from Clients	—	687,360
Sundry Creditors		
– Due to Micro, Small & Medium Enterprises (Refer Note. No. B(10) Schedule "16")	—	—
– Due to Others	8,304,258	5,670,940
Other Liabilities	4,046,799	1,487,208
Provisions		
Provision for Income Tax	16,860,000	7,810,000
Provision for Fringe Benefits Tax	397,392	170,000
	29,608,449	15,825,508

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009

Amount (in Rs.)

Particulars	As at 31.03.2009	As at 31.03.2008
<u>Schedule "11" :- Miscellaneous Expenditure</u>		
(To the extent not written off or adjusted)		
Preliminary Expenses		
Opening Balance	-	22,020
Add: Incurred during the year	-	12,304
Less: Written off during the year	-	34,324
Closing Balance	-	-
Preoperative Expenses		
Opening Balance	-	2,932
Add: Incurred during the year	-	-
Less: Written off during the year	-	2,932
Closing Balance	-	-

SCHEDULES FORMING PART OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

Amount (in Rs.)

Particulars	Year ended 31.03.2009	Year ended 31.03.2008
Schedule "12" :- Operational & Other Income		
Financial & Management Consultancy Fees (TDS Rs.7,505,290 ; P.Y. Rs. 6,272,531)	64,000,945	45,155,043
Interest received (TDS Rs. 290,460 ; P.Y. Rs. 301,861)	1,490,581	1,332,131
	65,491,526	46,487,174
Schedule "13" :- Employees Costs		
Salaries,Bonus & Incentives	7,390,650	3,553,517
Staff Training Expenses	89,400	69,150
Staff Welfare Expenses	236,564	104,403
Director's Remuneration	3,400,000	-
	11,116,614	3,727,070
Schedule "14" :- Administrative & Other Expenses		
Rent,Rates & Taxes	2,336,750	2,328,000
Legal & Professional Expenses	20,524,620	13,004,327
Business Promotion Expenses	1,069,640	729,620
Vehicle Maintenance Expenses	912,611	721,790
Communication Costs	386,126	363,191
Travelling & Conveyance	275,102	332,678
Bad Debts Written Off	485,850	450,000
Printing & Stationery	183,022	121,417
Electricity Expenses	221,897	107,593
Insurance Expenses	57,580	18,808
Office Expenses	197,106	431,843
Auditors Remuneration	25,000	25,000
Miscellaneous Expenses	324,446	184,485
Preliminary Expenses Written Off	-	37,256
	26,999,751	18,856,009
Schedule "15" :- Financial Expenses		
Bank Charges	7,068	11,914
Interest on Loan	114,871	64,552
Other Interest	173,247	15,981
	295,186	92,447

Schedule '16'

Significant Accounting Policies and Notes to the Accounts

A) Significant Accounting Policies

1. Basis of Preparation of Financial Statements :

The financial statements are prepared under the historical cost convention, on a going concern concept and in compliance with the Accounting Standards issued by ICAI / Companies (Accounting Standard), Rules, 2006. Company follows mercantile system of accounting and recognizes Income & Expenditure on accrual basis to the extent measurable and where there is certainty of ultimate realization in respect of incomes. Accounting policies not specifically referred to otherwise, are consistent and in consonance with the generally accepted accounting principles.

2. Use of estimates :

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimated are recognized in the period in which the results are materialized.

3. Recognition of income and expenditure

The Company follows the accrual basis of accounting except in the following cases, where the same are recorded on the basis of realization or ascertainment of rights and obligations

- a. Insurance claims
- b. Payment of bonus and leave salary
- c. Gratuity

4. Fixed Assets :

Fixed Assets are stated at cost of acquisition less accumulated depreciation. The cost of acquisition comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

5. Depreciation :

Depreciation on Fixed Assets is provided on 'Straight Line Method' considering the estimated useful lives of respective assets and their estimated residual value as under:

Sr. No.	Description of Assets (% of Cost)	Estimated Useful life	Residual Value
1.	Computers	3 Years	10 %
2.	Office Equipments	3 Years	Nil
3.	Furniture & Fittings	10 Years	Nil
4.	Motor Car	5 Years	25 %
5.	Air Conditioners	3 Years	Nil

6. Impairment of Fixed Assets:

At the end of each year, the Company determines whether a provision should be made for impairment loss on fixed assets by considering the indication that an impairment loss may have occurred in accordance with Accounting Standard 28 on "Impairment of Assets" issued by the ICAI/ Companies (Accounting Standard) Rules, 2006, Where the recoverable amount of any fixed assets is lower than its carrying amount, a provision for impairment loss on fixed assets is made for the difference.

7. Accounting for Taxation on Income :

Current Taxes

Provision for current income-tax is recognized in accordance with the provisions of Indian Income- tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

Deferred Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantially enacted at the balance sheet date. Deferred tax Assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future. Deferred Tax Assets are reviewed as at each Balance Sheet date.

Fringe Benefits

Provisions for Fringe Benefits Tax (FBT) have been recognized on the basis of harmonious contextual interpretation of the provision of the Income Tax Act, 1961.

8. Miscellaneous Expenditure:

Preliminary expenses are amortised in the year they are incurred.

9. Prior Period Items:

Material amount of Income and Expenditure pertaining to prior years are disclosed separately.

10. Employee benefits:

- a. Liability for leave encashment benefits has been provided on cash basis.
- b. Gratuity liability is accounted for on cash basis.

11. Treatment of Contingent Liabilities :

- a. Contingent Liabilities in respect of show cause notices received are considered only when they are converted into demands. Payments in respect of such demands, if any, are shown as advances.
- b. Contingent Liabilities under various fiscal laws includes those in respect of which the company/department is in appeal.
- c. Contingent Liabilities are disclosed by way of notes.

B) Notes to Accounts

1. In the opinion of the Board, the Current Assets and Loans & Advances are approximately of the value stated and are realizable in the ordinary course of business. The provision for all known liabilities is adequate.
2. The Balances and classification of Sundry Debtors, Loans and advances, Sundry Creditors and other liabilities shown in the Financial Statements are as per the ledger and are subject to confirmation and consequent reconciliation and adjustment.
3. Contingent Liabilities not provided for : Nil

SCHEDULES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009

4. Auditors Remuneration:

(Amount in Rs.)

Particulars	Year ended 31.03.2009	Year ended 31.03.2008
Statutory Audit Fees	20,000	20,000
Tax Audit	5,000	5,000
Service Tax	2,575	2,575
Total	27,575	27,575

5. Directors' Remuneration:

(Amount in Rs.)

Particulars	Year ended 31.03.2009	Year ended 31.03.2008
Director's Remuneration	3,400,000	600,000
Total	3,400,000	600,000

6. Segment Information :

In accordance with the requirements of Accounting Standard – 17 "Segment Reporting", issued by ICAI/Companies (Accounting Standards) Rules, 2006, Company's business is one reportable business segment being Financial and Management Consultancy and hence no separate disclosure attributable to Revenues, Profits, Assets, Liabilities and Capital Employed are given.

7. Deposits include Rs. 23,500,000 (P.Y. Rs. 23,500,000) due from a Private Limited Company in which a director is interested as director.

8. Related Party Transactions:-

For the year ended 31st March 2009.

a. Key Management Personnel:

Mr. Sunil Goyal	Director
Mr. Manoj Singrodia	Director
Mr. K.V.S Shyam Sunder	Director
Mr. Parimal Sheth	Director
Mr. Burzin Somandy	Director
Mr. Rajesh Murarka	Director
Mr. Saurabh Agarwal*	Director

* resigned with effect from 30th September, 2008

- b. Name of the Enterprises having same Key Management Personnel with whom the Company has entered into transactions during the year:

Structmast Realtors Private Limited

Invent Bio-Med Private Limited

Kisan Mouldings Limited

SCHEDULES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009

c. Associates:

M/s. Ladderup Securities Private Limited	Associate Concern
M/s. Singrodia Goyal & Co.	Partnership Firm

d. Holding Company:

Ladderup Finance Limited

e. Fellow Subsidiary :

Ladderup Wealth Management Private Limited

Amount (In Lacs)

Nature of Transaction	Refer to (a) above		Refer to (b) above		Refer to (c) above		Refer to (d) above	
	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08	2008-09	2007-08
Directors Remuneration	65.50	16.80	Nil	Nil	Nil	Nil	Nil	Nil
Revenue Sharing	Nil	Nil	Nil	Nil	Nil	Nil	96.00	67.06
Directors Remuneration	34.00	6.00	Nil	Nil	Nil	Nil	Nil	Nil
Professional Charges Paid	Nil	Nil	Nil	Nil	10.50	12.25	Nil	Nil
Finance & Mgmt Consultancy Fees received	Nil	Nil	Nil	Nil	Nil	4.45	Nil	Nil
Unsecured Loan taken	Nil	1.47	Nil	Nil	Nil	51.78	143.37	242.89
Repayment of Loan taken	Nil	1.47	Nil	Nil	71.35	31.07	120.28	284.15
Rent Deposit	Nil	Nil	Nil	115.00	Nil	Nil	Nil	Nil
Rent Paid	Nil	Nil	23.28	23.28	Nil	Nil	Nil	Nil
Interest on Rent deposit	Nil	Nil	14.91	13.32	Nil	Nil	Nil	Nil
Share Application Money received	Nil	Nil	Nil	Nil	Nil	Nil	190.00	Nil
Shares Allotted	Nil	Nil	Nil	Nil	Nil	Nil	19.00	09.00
Securities Premium received	Nil	Nil	Nil	Nil	Nil	Nil	171.00	Nil
Corporate Finance Fees	Nil	Nil	52.66	9.04	Nil	Nil	Nil	Nil
Outstanding amount paid	Nil	Nil	Nil	Nil	12.20	Nil	Nil	Nil
Amount Outstanding as on 31st March 2009								
- Loans Payable	Nil	Nil	Nil	Nil	Nil	71.35	18.00	Nil
- Outstanding Payable	Nil	Nil	Nil	Nil	Nil	12.20	Nil	18.65
- Rent Deposit	Nil	Nil	235.00	235.00	Nil	Nil	Nil	Nil
- Other receivable	Nil	Nil	33.71	1.53	Nil	Nil	Nil	5.09

Note: Related Parties as disclosed by Management and relied upon by auditors.

SCHEDULES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009

- 9) Since the company is a service company additional Information pursuant to the provisions of Part II of the Schedule VI of the Companies Act 1956 regarding the quantitative details of goods produced is not applicable.

10) **Amounts due to Micro, Small and Medium Enterprises:**

Based on the information available with the Company, no creditors have been identified as "supplier" within the meaning of "Micro, Small and Medium Enterprises Development (MSMED) Act, 2006".

11) **Earning Per Share :**

In accordance with Accounting Standard 20 – Earning per Share issued by the Companies (Accounting Standards) Rules, 2006, computation of earning per share is set out below:

Amount (in Rs.)

Sr. No.	Particulars	As at 31.03.2009	As at 31.03.2008
A	Weighted average number of Equity Shares of Rs. 10 each		
(i)	Number of Shares at the beginning of the year	100,000	10,000
(ii)	Number of Shares at the end of the year	290,000	100,000
(iii)	Weighted average number of Shares outstanding during the year	100,521	76,148
B	Net Profit / (loss) after tax available for equity shareholders	16,805,187	151,28,687
C	Basic & Diluted Earning Per Share (B/A (iii))	167.18	198.68

The Company does not have any dilutive potential equity shares. Consequently the basic and diluted earning per share of the Company remain the same.

12) **Taxes on Income:**

- Provision for taxation for the year has been made in accordance with the provisions of the Income Tax Act, 1961.
- In terms of Accounting Standard 22-"Accounting for Taxes on Income" issued by ICAI/ Companies (Accounting Standards) Rules, 2006, the Company has recognized Deferred Tax Assets amounting to Rs. 29,000 for the year ended 31st March 2009 in the Profit & Loss Account.

The balance in Net Deferred Tax Liability comprises of:

Amount (in Rs.)

Particulars	As at 31.03.2009	As at 31.03.2008
Deferred Tax Liability / (Assets)		
Depreciation	155,295	184,636
Preliminary Expenses	(1,020)	(1,236)
Deferred Tax Liability/ (Assets) [Net]	154,276	183,276

SCHEDULES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2009

- 13) The Company has entered into Revenue Sharing Arrangement with Ladderup Finance Limited, the Holding Company, for transfer of Financial and Management Consultancy Business from the Holding Company to the Company with effect from 1st April, 2007. Pursuant to the Agreement the Company has paid a sum of Rs. 9,600,142 (P.Y. Rs. 6,705,756) to Ladderup Finance Limited, being 15% of total fees income as reduced by bad debts, if any, for the financial year 2008-09.
- 14) Figures of previous year have been regrouped, reclassified and / or rearranged wherever necessary.

As per our Report of even date

For Khurdia Jain & Co.
Chartered Accountants

Sampat Khurdia
Partner
M.No. : 33615

Mumbai
Date : 30th June, 2009

For and on behalf of the Board

Sunil Goyal
Managing Director

Parimal Sheth
Executive Director

Mumbai
Date : 30th June, 2009

K.V.S. ShyamSunder
Director

Rajesh Murarka
Executive Director

SCHEDULES FORMING PART OF ACCOUNTS AS ON 31ST MARCH, 2009

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details

Registration No. : U67190MH2007PTC166958

Balance Sheet Date : 31 3 2009

Date Month Year

State Code : 11

II. Capital raised during the year (Rs. in Thousands)

Public Issue	Nil	Rights Issue	Nil
Bonus Issue	Nil	Private Placement/	
Call Unpaid Received	Nil	Promoters Contribution	1900

III. Position of Mobilisation and Deployment of Funds (Rs. in Thousands)

Total Liabilities	50318	Total Assets	50318
Source of Funds			
Paid-up Capital	2900	Reserves and Surplus	44354
Secured Loans	1110	Unsecured Loans	1800
Deferred Tax Liability	154		
Application of Funds			
Net Fixed Assets	4798	Investments	3700
Net Current Assets	41820	Misc. Expenditure	Nil
Accumulated Losses	Nil		

IV. Performance of Company. (Rs. in Thousands)

Turnover and Income	65492	Total Expenditure	39438
+ - Profit/Loss Before Tax	26054	Profit/Loss After Tax	16805
(Please tick appropriate box, + Profit, - for Loss)			
Earning Per Share in (Rs.)	167.18	Dividend Rate %	—

V. Generic Names of Three Principal Products/Services of Company (As Per Monetary Terms)

Item Code No. (ITC Code) -

Product Description 1 Financial & Management Consultancy

Signatories to Schedule "1" to "16"

As per our Report of even date

For and on behalf of the Board

For Khurdia Jain & Co.
Chartered Accountants

Sunil Goyal
Managing Director

K.V.S. ShyamSunder
Director

Sampat Khurdia
Partner
M.No. : 33615

Parimal Sheth
Executive Director

Rajesh Murarka
Executive Director

Mumbai
Date : 30th June, 2009

Mumbai
Date : 30th June, 2009

DIRECTORS' REPORT

To,

The Members,

Your Directors have pleasure in presenting the 2nd Annual Report of Ladderup Wealth Management Private Limited together with the Audited Statements of the Accounts for the year ended 31st March, 2009.

1. FINANCIAL RESULTS:

Amount (in Lacs)

	2008 – 2009	2007-2008
Operational and Other Income	21.089	0.923
Profit before Depreciation & Tax	(19.902)	(0.299)
Less: Depreciation	0.670	0.016
Profit before tax	(20.572)	(0.315)
Less: Provision for taxation	-	-
Less: Provisions for Fringe Benefits Tax	0.099	0.005
Add/ (Less): Taxation of earlier years	-	-
Less/ (Add): Deferred tax for the year	(0.489)	(0.004)
Profit/ (Loss) for the year	(21.160)	(0.316)

2. PERFORMANCE:

This being the Company's first full year of operation, the Company has generated Income of Rs. 21.08 Lacs for the year ended 2008-09 which is an increase of Rs. 20.17 Lacs over last years Income. The Company provides Wealth management solutions to its clients as per the needs with focus on HNI's, SME's and Corporates. The Company's Assets Under Management (AUM) grew to Rs.150 Crores approximately. The Company has chalked out extensive growth plans to provide value-added services to its clients. The Company has set-up a strong team of dedicated workforce to expand its distribution network of various financial products. With this growth and business strategy, the Company is expected to perform well in the coming years.

3. DIVIDEND:

Since the Company has incurred loss during the year, the Board does not recommend any dividend for the year under review.

4. FIXED DEPOSITS:

The company has not accepted any deposits from the public during the year pursuant to the provisions of section 58A of the Companies Act, 1956.

5. DIRECTORS:

Shri. **Sunil Goyal** and Shri **Manoj Singrodia**, Directors of the Company retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offer themselves for re-appointment.

6. DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the requirements under Section 217(2AA) of the Companies Act, 1956 the Board of Directors confirms that:

- a) In the preparation of accounts, the applicable accounting standards have been followed.
- b) Accounting Policies selected have been applied consistently and judgements made and estimates given are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2009 and the Loss of the Company for the year ended 31st March, 2009.
- c) Proper and sufficient care have been taken for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- d) The Annual accounts have been prepared on a going concern basis.

7. AUDITORS:

KARM & Co., Chartered Accountants, Mumbai being Statutory Auditors of the Company retire at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

8. PARTICULARS OF EMPLOYEES:

There are no employees whose particulars are required to be given under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

9. INFORMATION ON ENERGY CONSERVATION AND FOREIGN EXCHANGE:

Information required to be given under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 does not apply to your Company. There was no foreign exchange earning or outgo during the year.

10. APPRECIATION:

Your Directors wish to thank all the shareholders, bankers and clients for lending their support in various activities of the Company. Your Directors would like to place on record their appreciation to all the employees for their continued support towards the growth of the company.

For and on behalf of Board

Date : 29th July, 2009
Place : Mumbai.
Regd. Office : A-204 Rajeshri Accord
Telly Cross Lane, Off S.N. Road
Andheri (E), Mumbai – 400 069

Parimal Sheth
Director

AUDITOR'S REPORT

To,
The Members,

We have audited the attached Balance Sheet of **Ladderup Wealth Management Private Limited** as at 31st March, 2009 and also the annexed Profit and Loss Account and 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.

1. 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 misstatements. 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.
2. As required by the Companies (Auditors Report) Order, 2003 and amendment thereto issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we annex hereto a statement on the matters specified in the paragraphs 4 and 5 of the said Order.
3. Further to our comments in the Annexure referred to 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 purpose of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company as it appears from our examination of such books.
 - c) The Company's Balance Sheet and Profit & Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
 - d) In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and the Profit and Loss Account and the Cash Flow Statement comply in all material aspects with the Accounting Standards referred to in Section 211 (3C) of the Companies Act, 1956 except, Accounting Standard 15 (AS – 15) relating to Accounting of Employees Benefits (as referred to in Note no: A(11) of Schedule "13")
 - e) On the basis of written representation received from the directors as on 31st March 2008 and taken on record by the Board, we report that none of the directors is disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of subsection (1) of section 274 of the Companies Act, 1956.
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with other notes thereon give the information required by the Companies Act, 1956 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 the state of affairs of the Company as at 31st March, 2009 and
 - ii) In the case of the Profit and Loss Account, of the loss of the Company for the year ended on that date.
 - iii) In case of Cash flow statement, of the cash flows for the year ended on that date.

For K A R M & Co.

Chartered Accountants

R. Hariharan
Partner

Mem. No. : 038917

Place : Mumbai

Date : 30th June, 2009

ANNEXURE TO AUDITORS REPORT

Annexure referred to in Paragraph 2 of the Auditors Report to the members of **Ladderup Wealth Management Private Limited** for the year ended 31st March, 2009. As required by the Companies (Auditors Report) Order, 2003 and amendments thereto and according to the information and explanations given to us during the course of the audit and on the basis of such checks of the books and records as were considered appropriate we report that:

- (i) a) The Company has generally maintained proper records showing full particulars including quantitative details and situation of fixed assets.
b) As explained to us, all the fixed assets have been physically verified by the management during the year and no material discrepancies have been noticed on such physical verification.
c) The Company has not disposed off any substantial fixed assets during the year.
- (ii) a) Since the Company is a service Provider Company and does not maintain any inventory clause 4(ii) (a), (b) and (c) of the said Order are not applicable.
- (iii) a) The Company has not granted any loans secured or unsecured to any party covered in the register maintained under section 301 of the Companies Act, 1956.
b) In view of our comments in para iii (a) above, clauses 4 (iii) (b) (c) and (d) of the said Order are not applicable.
c) The Company has taken unsecured loans from one party (payable on call basis) including the Holding Company covered in the register maintained under section 301 of the Companies Act, 1956. The aggregate maximum amount involved during the year was Rs. 21.80 lacs. The year end balance of such loans was Rs. 21.80 lacs.
d) Interest & other Terms and conditions on which the loan has been taken is prima facie, not prejudicial to the interest of the Company.
e) In view of our comments in para (iii) (c) and (d) above, clause 4 (iii) (g) of the said Order is not applicable to the Company.
- (iv) In our opinion and according to the information and explanation given to us there is adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and for the sale of services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control systems.
- v) (a) Based on our audit procedures performed by us, we are of the opinion that particulars of contracts or arrangements referred to in Section 301 of the Act have been entered in the register required to be maintained under that section..
(b) The transaction made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regards to prevailing market prices at the relevant time.
- (vi) The Company has not accepted any deposits from the public.
- (vii) The Company does not have a formal internal audit system commensurate with its size and natures of its business but its financial and other internal checks, ensures proper recording of the financial transactions.
- (viii) The Central Government has not prescribed for maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 for the Company.
- (ix) a) The Company is regular in depositing undisputed statutory dues including income tax and service tax with appropriate authorities. There are no arrears of outstanding of these dues as at the last day of the financial year for a period of more than six months from the date

ANNEXURE TO AUDITORS REPORT

they became payable. The laws relating to provident fund, investor education protection fund, employee state insurance, sales tax, wealth tax, custom duty, excise duty and cess do not apply to the Company for the year under report.

- b) According to the information and explanations given to us, the Company has no dues of Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and Cess which have not been deposited on account of disputes with the related authorities.
- (x) The Company is not in existence for more than five years and hence the provisions of the clause 4 (x) of the order is not applicable for the year under report.
- (xi) The Company has not taken any loan from banks and financial institutions.
- (xii) The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
- (xiii) The provisions of any Special Statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund/ Societies are not applicable to the Company.
- (xiv) According to the information and explanation given to us the Company is not dealing or trading in shares, securities, debentures or other investments.
- (xv) The Company has not given any guarantees for loan taken by others from banks and financial institutions.
- (xvi) As per the information and explanations given to us, the Company has not raised any new term loans during the year.
- (xvii) On an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long term investments.
- (xviii) The Company has made a preferential allotment of shares to Holding Company covered in the register maintained under section 301 of the Companies Act, 1956. In our opinion, the price at which the shares have been issued is not prejudicial to the interest of the Company.
- (xix) The Company has not issued any debentures during the year.
- (xx) The Company has not raised any money by way of public issue during the year.
- (xxi) There were no frauds on or by the Company noticed or reported during the course of our audit during the year.

For K A R M & Co.

Chartered Accountants

R. Hariharan
Partner

Mem. No. : 038917

Place : Mumbai

Date : 30th June, 2009

BALANCE SHEET AS AT 31ST MARCH, 2009

Amount (in Rs.)

Particulars	Schedules	As at 31.03.2009	As at 31.03.2008
I. SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	500,000	100,000
Share Application Money (Pending allotment /refund)		500,000	50,000
Loan Funds			
Unsecured Loans	2	2,180,699	-
Deferred Tax Liability		48,628	-
		3,229,328	150,000
II. APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	3	447,643	114,800
Less : Depreciation		68,040	1,064
Net Block		379,603	113,736
Deferred Tax Assets		-	362
Current Assets, Loans & Advances			
Sundry Debtors	4	921,733	81,755
Loans & Advances	5		1,006,233
Cash & Bank Balances	6	272,225	36,070
		2,200,191	117,825
Less : Current Liabilities & Provisions	7	1,498,175	113,545
Net Current Assets		702,016	4,280
Miscellaneous Expenditure (To the extent not written off)	8	-	-
Profit & Loss Account		2,147,709	31,622
		3,229,328	150,000
Significant Accounting Policies & Notes to Accounts	13		

As per our Report of even date

For and on behalf of the Board

For K A R M & Co.
Chartered Accountants

Parimal Sheth
Director

Nitesh Dhandharia
Executive Director & CEO

R. Hariharan
Partner

M.No. : 038917

Mumbai
Date : 30th June, 2009

Mumbai
Date : 30th June, 2009

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

Amount (in Rs.)

Particulars	Schedules	Year ended 31.03.2009	Year ended 31.03.2008
I. INCOME			
Income from Operations	9	2,108,856	92,355
		2,108,856	92,355
II. EXPENDITURE			
Employee Costs	10	2,653,649	32,568
Administration & Other expenses	11	1,373,066	90,043
Financial Expenses	12	72,395	165
Depreciation		66,976	1,064
		4,166,085	123,840
Profit/(Loss) before Taxation		(2,057,229)	(31,485)
Less: Provision For Tax			
-Current Tax			
- Deferred Tax Liability/(Assets)		48,990	(362)
- Fringe Benefit Tax		9,867	499
Profit/(Loss) after Taxation		(2,116,086)	(31,622)
Add: Balance b/f from Last Year		(31,622)	—
Balance carried forward to Balance Sheet		(2,147,709)	(31,622)
Earning Per Share of Rs. 10/- each- Basic & Diluted		(44.57)	(20.67)
Significant Accounting Policies & Notes to Accounts	13		

As per our Report of even date

For and on behalf of the Board

For K A R M & Co.
Chartered Accountants

Parimal Sheth
Director

Nitesh Dhandharia
Executive Director & CEO

R. Hariharan
Partner

M.No. : 038917

Mumbai
Date : 30th June, 2009

Mumbai
Date : 30th June, 2009

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

Amount (in Rs.)

Particulars	Year ended 31.03.2009	Year ended 31.3.2008
A) Cash Flow from Operating Activities		
Net Profit/(Loss) before taxation & extraordinary items	(2,057,229)	(31,485)
Add/(Less) Adjustments for:		
Depreciation	66,976	1,064
Preliminary Expenses Written Off	-	35,314
Add/(Less) Working Capital Changes:		
Increase/(Decrease) in Sundry Creditors	1,355,896	76,800
Increase/(Decrease) in Other Liabilities	18,867	36,246
(Increase)/Decrease in Loans & Advances	(1,000,891)	-
(Increase)/Decrease in Debtors	(839,978)	(81,755)
Net Income Tax Paid	(5,342)	-
Net Cash Flow from Operating Activities (a)	(2,461,702)	36,184
B) Cash Flow from Investing Activities		
Purchase of Fixed Assets	(332,843)	(114,800)
Net Cash Flow from Investing Activities (b)	(332,843)	(114,800)
C) Cash Flow from Financing Activities		
Share Capital	400,000	100,000
Share Application Money Received	450,000	50,000
Unsecured Loans	2,180,699	-
Preliminary Expenses Incurred	-	(35,314)
Net Cash Flow from Financing Activities (c)	3,030,699	114,686
Net Increase in Cash & Cash Equivalents During the Year	236,155	36,070
Add:- Cash & Cash Equivalents (Opening)		
Cash & Cash Equivalents (Closing)	272,225	36,070

Note:

- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in the Accounting Standard- 3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India.
- Cash and Cash Equivalents at the end of the year consist of cash in hand and balances with banks are as follows :

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009

Amount (in Rs.)

Particulars	As at 31.03.2009	As at 31.3.2008
Cash in Hand	9,638	98
Balances with Bank	262,587	35,972
	272,225	36,070

3. Figures in brackets reflects cash outflow.

As per our Report of even date

For and on behalf of the Board

For K A R M & Co.
Chartered Accountants

Parimal Sheth
Director

Nitesh Dhandharia
Executive Director & CEO

R. Hariharan
Partner

M.No. : 038917

Mumbai
Date : 30th June, 2009

Mumbai
Date : 30th June, 2009

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009

Particulars	Amount (in Rs.)	
	As at 31.03.2009	As at 31.03.2008
Schedule "1" :- Share Capital		
Authorised		
100,000 (P.Y 1,00,000) Equity Shares of Rs. 10/- each	1,000,000	1,000,000
Issued, Subscribed and Paid up		
50,000 (P.Y 10,000) Equity Shares of Rs. 10/- each, fully paid up (Of the above 42,500 (P.Y.10,000) Shares are held by the Holding Company Ladderup Finance Limited.)	500,000	100,000
	500,000	100,000
Schedule "2" :- Unsecured Loans		
Loan from Holding Company	2,180,699	-
	2,180,699	
Schedule "4" :- Sundry Debtors (Unsecured, Considered Good)		
Debts outstanding for a period exceeding six months	-	-
Other Debts	921,733	81,755
	921,733	81,755
Schedule "5" :- Loans & Advances		
Advance recoverable in cash or in kind for value to be received	210,891	-
Deposits	790,000	-
Advance Tax & TDS	5,342	-
	1,006,233	-
Schedule "6" :- Cash and Bank Balances		
Cash in Hand	9,638	98
Balances with Scheduled Bank In Current Account	262,586	35,972
	272,225	36,070

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009

Schedule "3" :- Fixed Assets (At Cost less Depreciation)

Amount (in Rs.)

Particulars	Gross Block			Depreciation			Net Block	
	As at 01.04.2008	Additions/ (Deductions) During the year	As at 31.03.2009	Upto 31.03.2008	Provided for the year	Upto 31.03.2009	As at 31.03.2009	As at 31.03.2008
Computers	114,800	269,200	384,000	1,064	61,513	62,577	321,423	113,736
Office equipments	-	25,590	25,590		563	563	25,027	-
Air Conditioners	-	38,053	38,053		4,899	4,899	33,154	-
Total	114,800	332,843	447,643	1,064	66,976	68,040	379,603	113,736
Previous Year	-	114,800	114,800	-	1,064	1,064	113,736	-

SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2009

Amount (in Rs.)

Particulars	As at 31.03.2009	As at 31.03.2008
Schedule "7" :- Current Liabilities & Provisions		
Current Liabilities		
Sundry Creditors		
– Due to Micro, Small & Medium Enterprises (Refer Note no.B(9) of schedule "13")		
– Due to Others	1,432,696	76,800
Other Liabilities	55,113	36,246
Provision for Taxation		
Provision for FBT	10,366	499
	1,498,175	113,545
Schedule "8" :- Miscellaneous Expenditure		
(To the extent not written off or adjusted)		
Preliminary Expenses		
Opening Balance	-	-
Add: Incurred during the period	-	35,314
Less: Written off during the period	-	35,314
	-	-

SCHEDULES FORMING PART OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2009

Amount (in Rs.)

Particulars	As at 31.03.2009	As at 31.03.2008
Schedule "9" :- Income from Operations		
Brokerage & Commission	2,108,856	92,355
	2,108,856	92,355
Schedule "10" :- Employees Costs		
Salaries & Bonus	1,235,707	32,568
Staff Welfare Expenses	17,942	-
Directors Remuneration	1,400,000	-
	2,653,649	32,568
Schedule "11" :- Administration & Other Expenses		
License Fees	124,941	-
Legal and Professional Charges	576,199	28,390
Office Expenses	183,016	6,070
Communication Costs	86,801	6,238
Printing & Stationery	41,617	5,081
Business Promotion Expenses	253,916	-
Travelling & Conveyance	33,011	1,832
Electricity Expenses	38,066	-
Auditors' Remuneration	11,030	5,618
Miscellaneous Expenses	24,469	1,500
Preliminary Expenses Written off	-	35,314
	1,373,066	90,043
Schedule "12" :- Financial Expenses		
Bank Charges	886	165
Interest to Others	71,509	-
	72,395	165

Schedule '13'

Significant Accounting Policies and Notes to the Accounts

A) Significant Accounting Policies

1. Basis of Preparation of Financial Statements :

The financial statements are prepared under the historical cost convention, on a going concern concept and in compliance with the Accounting Standards issued by ICAI / Companies (Accounting Standard), Rules, 2006, Company follows mercantile system of accounting and recognizes Income & Expenditure on accrual basis to the extent measurable and where there is certainty of ultimate realization in respect of incomes. Accounting policies not specifically referred to otherwise, are consistent and in consonance with the generally accepted accounting principles.

2. Use of estimates :

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimated are recognized in the period in which the results are materialized.

3. Recognition of income and expenditure

The Company follows the accrual basis of accounting except in the following cases, where the same are recorded on the basis of realization or ascertainment of rights and obligations

- a. Insurance claims
- b. Payment of bonus and leave salary
- c. Gratuity

4. Revenue Recognition:

- a. Brokerage/ Commission from each Fund House is recognized by the Company on the basis of the statements generated by the main registrar on periodic basis.
- b. In respect of other operational income, the company follows the practice of accounting on accrual basis.

5. Fixed Assets :

Fixed Assets are stated at cost of acquisition less accumulated depreciation. The cost of acquisition comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

6. Depreciation :

Depreciation on Fixed Assets is provided on 'Straight Line Method' considering the estimated useful lives of respective assets and their estimated residual value as under:

Sr. No.	Description of Assets (% of Cost)	Estimated Useful life	Residual Value
1	Computers	3 Years	10 %
2	Air Conditioners	3 Years	Nil
3	Office Equipments	3 Years	Nil

7. Impairment of Fixed Assets:

At the end of each year, the Company determines whether a provision should be made for impairment loss on fixed assets by considering the indication that an impairment loss may have occurred in accordance with Accounting Standard 28 on "Impairment of Assets" issued by the ICAI / Companies (Accounting Standard), Rules, 2006. Where the recoverable amount of any fixed assets is lower than its carrying amount, a provision for impairment loss on fixed assets is made for the difference.

8. Accounting for Taxation on Income :

Current Taxes

Provision for current income-tax is recognized in accordance with the provisions of Indian Income- tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions.

Deferred Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantially enacted at the balance sheet date. Deferred tax Assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future. Deferred Tax Assets are reviewed as at each Balance Sheet date.

Fringe Benefit Tax

Provisions for Fringe Benefits Tax (FBT) have been recognized on the basis of harmonious contextual interpretation of the provision of the Income Tax Act, 1961.

9. Miscellaneous Expenditure:

Preliminary expenses are amortised in the year they are incurred.

10. Prior Period Items:

Material amount of Income and Expenditure pertaining to prior years are disclosed separately.

11. Employee benefits:

- a. Liability for leave encashment benefits has been provided on cash basis.
- b. Gratuity liability is accounted for on cash basis.

12. Treatment of Contingent Liabilities :

- a. Contingent Liabilities in respect of show cause notices received are considered only when they are converted into demands. Payments in respect of such demands, if any, are shown as advances.
- b. Contingent Liabilities under various fiscal laws includes those in respect of which the company/department is in appeal.
- c. Contingent Liabilities are disclosed by way of notes.

B) Notes to Accounts

1. In the opinion of the Board, the Current Assets, Share Application Money Loans & Advances are approximately of the value stated and are realizable in the ordinary course of business. The provision for all known liabilities is adequate.
2. The Balances and classification of Sundry Debtors shown in the Financial Statements are as per the ledger and are subject to confirmation and consequent reconciliation and adjustment.

3. Contingent Liabilities not provided for : Nil

4. **Auditors Remuneration:**

(Amount in Rs.)

Particulars	Year ended 31.03.2009	Year ended 31.03.2008
Statutory Audit Fees	10,000	5,000
Service Tax	1,030	618
Total	11,030	5,618

5. **Directors' Remuneration:**

Amount (in Rs.)

Particulars	Year ended 31.03.2009	Year ended 31.03.2008
Director's Remuneration	14,00,000	Nil
Total	14,00,000	Nil

6. **Segment Information :**

In accordance with the requirements of Accounting Standard – 17 "Segment Reporting", issued by ICAI/Companies (Accounting Standards) Rules, 2006, Company's business is one reportable business segment being Advisory Services for Investment Products and hence no separate disclosure attributable to Revenues, Profits, Assets, Liabilities and Capital Employed are given.

7. **Related Parties:**

For the year ended 31st March, 2009.

(a) **Key Management Personnel:**

Mr. Sunil Goyal	Director
Mr. Manoj Singrodia	Director
Mr. K.V.S. ShyamSunder	Director
Mr. Parimal Sheth	Director
Mr. Nitesh Dhandharia	Director

(b) **Associates:**

M/s. Ladderup Securities Private Limited Associate Concern
M/s. Singrodia Goyal & Co. Partnership Firm

(c) **Fellow Subsidiary:**

M/s. Ladderup Corporate Advisory Private Limited

(d) **Holding Company:**

Ladderup Finance Limited

Amount (in Rs.)

Nature of Transaction	Refer to (a) above		Refer to (d) above	
	2008-09	2007-08	2008-09	2007-08
Directors Remuneration	14,00,000	Nil	Nil	Nil
Loan Taken	Nil	30,684	21,35,000	Nil
Loan Repaid	Nil	30,684	Nil	Nil
Interest Expenses	Nil	Nil	45,699	Nil
Share Application Money received	100,000	50,000	750,000	Nil
Shares Allotted	75,000	Nil	325,000	Nil
Amount Outstanding as on 31st March 2009				
- Loans payable	Nil	Nil	21,80,699	Nil
- Share Application Money	75,000	50,000	425,000	Nil

Note: Related Parties as disclosed by Management and relied upon by auditors.

8. Since the Company is a service company additional Information Pursuant to the provisions of Part II of the Schedule VI of the Companies Act 1956 regarding the quantitative details of goods produced is not applicable.

9. **Amounts due to Micro, Small and Medium Enterprises:**

Based on the information available with the Company, no creditors have been identified as "supplier" within the meaning of "Micro, Small and Medium Enterprises Development (MSMED) Act, 2006".

10. **Earning Per Share :**

In accordance with Accounting Standard 20 – Earning per Share issued by ICAI / Companies (Accounting Standards) Rules, 2006, Computation of earning per share is set out below:

Amount (in Rs.)

Sr. No.	Particulars	As at 31.03. 2009	As at 31.03. 2008
A	Weighted average number of Equity Shares of Rs. 10 each		
(i)	Number of Shares at the beginning of the year	10,000	Nil
(ii)	Number of Shares at the end of the year	50,000	10,000
(iii)	Weighted average number of Shares outstanding during the year	47,479	1,530
B	Net Profit / (loss) after tax available for equity shareholders	(21,16,086)	(31,622)
C	Basic & Diluted Earning Per Share (B/A (iii))	(44.57)	(20.67)

Note:- The Company does not have any dilutive potential equity shares. Consequently the basic and diluted earning per share of the Company remain the same.

11. Taxes on Income:

- a. Provision for taxation for the year has been made in accordance with the provisions of the Income Tax Act, 1961.
- b. In terms of Accounting Standard 22 "Accounting for Taxes on Income" issued by ICAI/ Companies (Accounting Standards) Rules, 2006 , Company has recognized Deferred Tax Liabilities amounting to Rs. 48,990/- for the year ended 31st March 2009 in the Profit & Loss Account.

The balance in Net Deferred Tax Liability comprises of:

Amount (in Rs.)

Particulars	As at 31.03.2009	As at 31.03.2008
Deferred Tax Liability / (Assets)		
Depreciation	49,647	10,313
Preliminary Expenses	(1,020)	(1,236)
Carried Forward Loss under Income Tax	Nil	(9,439)
Deferred Tax Liability/ (Assets) [Net]	48,628	(362)

12. Figures of previous year have been regrouped, reclassified and / or rearranged wherever necessary.

As per our Report of even date

For and on behalf of the Board

For K A R M & Co.
Chartered Accountants

Parimal Sheth
Director

Nitesh Dhandharia
Executive Director & CEO

R. Hariharan
Partner

M.No. : 038917

Mumbai
Date : 30th June, 2009

Mumbai
Date : 30th June, 2009

SCHEDULES FORMING PART OF ACCOUNTS AS ON 31ST MARCH, 2009

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details

Registration No. : U74140MH2008PTC177491

Balance Sheet Date : 31 3 2009

Date Month Year

State Code : 11

II. Capital raised during the year (Rs. in Thousands)

Public Issue	Nil	Rights Issue	Nil
Bonus Issue	Nil	Private Placement /	400
		Promoters Contribution	
Call Unpaid Received	Nil		

III. Position of Mobilisation and Deployment of Funds (Rs. in Thousands)

Total Liabilities	3229	Total Assets	3229
Source of Funds			
Paid-up Capital	500	Reserves and Surplus	Nil
Secured Loans	Nil	Unsecured Loans	2180
Deferred Tax Liability	49	Share Application Money	500

Application of Funds

Net Fixed Assets	380	Investments	Nil
Net Current Assets	702	Misc. Expenditure	Nil
Accumulated Losses	2147		

IV. Performance of Company. (Rs. in Thousands)

Turnover and Income	2109	Total Expenditure	4166
+ - Profit/Loss Before Tax	(2057)	Profit/Loss After Tax	(2,116)
(Please tick appropriate box, + Profit, - for Loss)			
Earning Per Share in (Rs.)	(44.57)	Dividend Rate %	—

V. Generic Names of Three Principal Products/Services of Company (As Per Monetary Terms)

Item Code No. (ITC Code) -

Product Description 1 Advisory Services for Investment Products

Signatories to Schedule "1" to "13"

As per our Report of even date

For and on behalf of the Board

For K A R M & Co.
Chartered Accountants

Parimal Sheth
Director

Nitesh Dhandharia
Executive Director & CEO

R. Hariharan
Partner

M.No. : 038917

Mumbai
Date : 30th June, 2009

Mumbai
Date : 30th June, 2009

LADDERUP FINANCE LIMITED

Registered Office: A-204, Rajeshri Accord, Telly Cross Lane, Off S. N. Road,
Andheri (East), Mumbai – 400 069.

ATTENDANCE SLIP

Please complete this attendance slip and hand it over at the entrance of the venue.

Folio No./Client ID No.

No. of Shares held

Name & Address

Jointly with

Full name of the Proxy if attending meeting

I hereby record my presence at the 16th Annual General Meeting of the Company at Hotel Suba Galaxy,
N.S. Phadke Road, Off Western Express Highway, Andheri(E), Mumbai at 10 a.m. on Wednesday, the
9th day of September, 2009

Signature of Member/Joint
Member/proxy attending the meeting.

Note: The practice of distributing copies of the Annual Report at the Annual General Meeting has been discontinued. Members attending the meeting are requested to bring their copies of Annual Report with them.

LADDERUP FINANCE LIMITED

Registered Office: A-204, Rajeshri Accord, Telly Cross Lane,
Off S. N. Road, Andheri (East), Mumbai – 400 069

PROXY FORM

I/We of being a
member/members of the above named Company hereby appoint of
..... or failing him of of
..... as my/ our proxy to vote for me/us on my our behalf at the 16th ANNUAL GENERAL
MEETING of the Company to be held at Hotel Suba Galaxy, N.S. Phadke Road, Off. Western Express
Highway, Andheri(E), Mumbai on Wednesday, the 9th day of September, 2009 and at any adjournment
thereof.

Signed this day of, 2009.

Reg. Folio No.

No. of Shares

REVENUE
STAMP
Of Re.1/-

Note: This form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not less than 48 hours before the meeting. A proxy need not be a member.

BOOK - POST

If undelivered Please return to

Ladderup Finance Limited

Regd. Off: A-204, Rajeshri Accord,
Telly Cross Lane, Off. S.N.Road,
Andheri (E).Mumbai - 400 069

Tel: 91-22-42256363 Fax: 42256364

Email: info@ladderup.com