



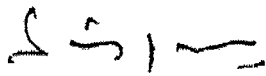


# Ladderup

*Engineering Growth*

FORM A

(Pursuant to Clause 31(a) of Listing Agreement)

Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company	Ladderup Finance Limited
2.	Annual financial statements for the year ended	31 <sup>st</sup> March, 2014
3.	Type of Audit observation	Un-qualified <del>/Matter of Emphasis</del>
4.	Frequency of observation	<del>Whether appeared first time .... /</del> <del>repetitive .... / since how long period ...</del>
5.	To be signed by-	
	• CEO/Managing Director	 <b>Sunil Goyal</b> Managing Director DIN: 00503570
	• CFO	 <b>Harsha Saksena</b> Chief Financial Officer DIN: 01736469
	• Auditor of the company	<b>For Khurdia Jain &amp; Co.</b> Chartered Accountants Firm Regn. No. 120263W  <b>Sampat Khurdia</b> (Partner) Mem. No. 33615
	• Audit Committee Chairman	_____

## Ladderup Finance Limited

104, Mittal Court, "A" Wing,  
10<sup>th</sup> Floor, Nariman Point,  
Mumbai – 400021.  
Maharashtra, India.

Tel.: 91-22-4033 6363  
Fax: 91-22-4033 6364  
E-Mail: info@ladderup.com  
www.ladderup.com

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

Tel.: 91-22-2683 6363 Fax: 91-22-2682 6464

# 21<sup>st</sup> Annual Report 2013-14



Ladderup Finance Limited



**Ladderup**  
*Engineering Growth*

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## CORPORATE INFORMATION

<b>BOARD OF DIRECTORS</b>	:	Mr. T. B. Subramaniam (Chairman) Mr. K. V. S. ShyamSunder Mr. K. Raghuraman Mr. Alasdair Nisbet Mr. Sunil Goyal (Managing Director) Mr. Manoj Singrodia Mr. Deepak Ladha (Executive Director) Mr. Harsha Saksena (Executive Director)
<b>REGISTERED OFFICE</b>	:	102-A, 1 <sup>st</sup> Floor, Hallmark Business Plaza, Gurunanak Hospital Road, Bandra (East), Mumbai-400 051
<b>BANKERS</b>	:	Axis Bank Bank of Maharashtra HDFC Bank Dhanlaxmi Bank
<b>AUDITORS</b>	:	M/s. Khurdia Jain & Co., Chartered Accountants, Mumbai
<b>REGISTRAR AND SHARE TRANSFER AGENTS</b>	:	Sharex Dynamic (India) Private Limited Unit 1, Luthra Industrial Premises, 1st Floor, 44-E. M. Vasanti Marg, Andheri Kurla Road, Safed Pool, Andheri (East), Mumbai-400 072
<b>COMPLIANCE OFFICER</b>	:	Mr. Deepak Ladha (w.e.f 11 <sup>th</sup> August 2014)

## NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 21<sup>st</sup> Annual General Meeting of the Members of Ladderup Finance Limited will be held on Saturday, the 27<sup>th</sup> September, 2014 at 4.00 p.m. at Hotel Mirage, International Airport Approach Road, Marol, Andheri (East), Mumbai 400 059 to transact the following business:

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### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2014 the Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.
2. To declare dividend on Equity Shares for the year ended 31<sup>st</sup> March, 2014.
3. To appoint a Director in place of Mr. Manoj Singrodia (DIN:01501529), who retires by rotation and, being eligible, offers himself for re-appointment.
4. To consider and if thought fit to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** the vacancy caused by the retirement by rotation of Mr. T. B. Subramaniam (DIN: 01192744) who has conveyed to the Company his unwillingness to offer himself for re-appointment, be not filled up.”

5. To re-appoint Statutory Auditors and to fix their remuneration and in this regard, to consider and if deem fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 139 of Companies Act, 2013 and all other applicable provisions, M/s. Khurdia Jain & Co. Chartered Accountants, Mumbai (Firm Registration No. 120263W) be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of the ensuing Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors.”

### SPECIAL BUSINESS

6. To consider and if thought fit to pass with or without modification(s), the following resolution as an **Ordinary Resolution**.

#### **Appointment of Mr. K. V. S. ShyamSunder as an Independent Director**

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, **Mr. K. V. S. ShyamSunder (DIN: 00502621)**, Director of the Company, whose period of office is liable to determination by retirement by rotation under the erstwhile applicable provisions of the Companies Act, 1956, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office

of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years up to 31<sup>st</sup> March, 2019.”

7. To consider and if thought fit to pass with or without modification(s), the following resolution as an **Ordinary Resolution**.

**Appointment of Mr. K. Raghuraman as an Independent Director:**

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, **Mr. K. Raghuraman (DIN:00320507)**, Director of the Company, whose period of office is liable to determination by retirement by rotation under the erstwhile applicable provisions of the Companies Act, 1956, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years up to 31<sup>st</sup> March, 2019.”

8. To consider and if thought fit to pass with or without modification(s), the following resolution as an **Ordinary Resolution**.

**Appointment of Mr. Alasdair Nisbet as an Independent Director:**

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Companies Act, 2013 and Clause 49 of the Listing Agreement, **Mr. Alasdair Nisbet (DIN : 00504851)**, Director of the Company, whose period of office is liable to determination by retirement by rotation under the erstwhile applicable provisions of the Companies Act, 1956, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years up to 31<sup>st</sup> March, 2019.”

9. To consider and if thought fit to pass with or without modification(s), the following resolution as a **Special Resolution**.

**Adoption of New Articles of Associations of the Company containing Regulations in conformity with the Companies Act, 2013.**

“**RESOLVED THAT** pursuant to the provisions of Section 14 of the Companies Act, 2013, and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2013 (including any statutory modification(s) or re-enactment thereof for the time being in force) consent of the members be and are hereby accorded to the Company to amend the existing Articles of Association of the Company by substituting the new set of Articles of Association.

**RESOLVED FURTHER THAT** any Director of the Company, be and is hereby authorized to sign and submit the necessary application and forms with appropriate authorities and to perform all such

acts, deeds and things as it may in its absolute discretion deem necessary or desirable for and on behalf of the Company for the purpose of giving effect to the aforesaid resolution.”

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

**To approve the change of name of the Company:**

**“RESOLVED THAT** pursuant to the provisions of Section 13(2) of the Companies Act, 2013 and Rule 29(2) of the Companies (Incorporation) Rules, 2014 and subject to approval under Section 45-IA of Reserve Bank of India Act, 1934 and Central Government/Registrar of Companies and subject to such other approvals as may be required, the consent of the members be and are hereby accorded to the Company to change of name of the Company from **“LADDERUP FINANCE LIMITED”** to **“LADDERUP FINANCIAL SERVICES LIMITED”**.

**RESOLVED FURTHER THAT** clause I of the Memorandum of Association of the Company be substituted by the following clause:

- I. The name of the Company is **LADDERUP FINANCIAL SERVICES LIMITED**.

**RESOLVED FURTHER THAT** the name **“LADDERUP FINANCE LIMITED”** wherever it appears in the Articles of Association of the Company be substituted by the new name **“LADDERUP FINANCIAL SERVICES LIMITED**.

**RESOLVED FURTHER THAT** any Director of the Company, be and is hereby authorised to sign and submit the necessary application and forms with appropriate authorities and to perform all such acts, deeds and things as it may in its absolute discretion deem necessary or desirable for and on behalf of the Company for the purpose of giving effect to the aforesaid resolution.”

Date : 11<sup>th</sup> August, 2014  
Place : Mumbai

**By Order of the Board**

Regd. Office : 102-A, 1<sup>st</sup> Floor, Hallmark Business Plaza,  
Gurunanak Hospital Road,  
Bandra (East), Mumbai – 400 051

Sunil Goyal  
DIN: 00503570  
**(Managing Director)**

## NOTES TO NOTICE

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON A POLL ON HIS BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith.

Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the Meeting.

A person can act as Proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten per cent of the total share capital of the Company. A Member holding more than ten per cent of the total share capital of the Company carrying voting rights may appoint a single person as Proxy and such person shall not act as a Proxy for any other person or member.

2. An Explanatory Statement pursuant to the provisions of Section 102(1) of the Companies Act, 2013, is annexed hereto. As required under Clause 49 of the Listing Agreement, relevant information in respect of the Directors seeking appointment and re-appointment at the AGM is annexed hereto.
3. The Register of Members and the Share Transfer books of the Company will remain closed from Saturday, 20<sup>th</sup> September, 2014 to Saturday, 27<sup>th</sup> September, 2014 (both days inclusive) for annual closing and determining the entitlement of the shareholders to the dividend for the financial year ended 2013-14.
4. The dividend on equity shares, as recommended by the Board of Directors and if declared at the AGM, will be paid to those members of the Company whose names appears (a) as beneficial owners as per the list furnished by the Depositories in respect of the shares held in electronic form on close of business hours on Friday, 19<sup>th</sup> September, 2014; and (b) as members in the Register of Members of the Company on Saturday, 27<sup>th</sup> September, 2014 after giving effect to all valid share transfers in physical form received on or before Friday, 19<sup>th</sup> September, 2014
5. Members may please note that SEBI has *vide* its circular CIR/MRD/DP/10/2013 dated 21<sup>st</sup> March, 2013 has directed all Companies whose securities are listed on the stock exchanges to use, either directly or through their Registrars and Share Transfer Agents, any Reserve Bank of India (RBI) approved electronic mode of payment such as Electronic Clearing Service (ECS) [LECS (Local ECS) / RECS (Regional ECS) / NECS (National ECS)], National Electronic Funds Transfer (NEFT), etc. for making cash payments to the members and investors like dividend, refund of share application money etc.

Members are requested to update their bank account details with M/s. Sharex Dynamic (India) Private Limited, the Registrar and Share Transfer Agent, in case shares are held in physical form, and to their Depository Participants, in case shares are held in demat form, to enable the Company to make the payment of dividend in electronic form. Members are further requested to note that in case of non-availability of correct bank account details such as MICR (Magnetic Ink Character Recognition), IFSC (Indian Financial System Code), etc., which are required for making electronic payment, will lead to rejection/failure of electronic payment instructions by the bank, in which case



the Company or the Registrar and Share Transfer Agent will use physical payment instruments for making payment of dividend to the members with available bank account details of the members.

6. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company or its Registrar and Share Transfer Agent.
7. Queries on accounts and operations of the Company, if any, may be sent to the Compliance Officer of the Company seven days in advance of the meeting so as to enable the Management to keep the information ready at the meeting.
8. All transfer deeds, requests for change of address, bank particulars /mandates /ECS mandates, PAN should be lodged with Company's Registrar and Share Transfer Agent M/s. Sharex Dynamic (India) Private Limited, in case of shares held in physical form on or before Friday, 19<sup>th</sup> September, 2014. The above details in respect of the shares held in electronic form should be sent to the respective Depository Participants by the members well in time.
9. Under Section 72 of the Companies Act, 2013, members are entitled to make nomination in respect of shares held by them in physical mode. Members desirous of making nominations are requested to send their request in Form SH.13 to the Company's Registrar and Share Transfer Agent.
10. As a measure of economy, members are requested to bring their copy of Annual Report to the meeting. Members / Proxies should bring the attendance slip duly filled in and signed for attending the meeting
11. Members who have not so far encashed the Dividend Warrant(s) for the Dividend declared for the previous years are requested to make their claims to the Company at the earliest. The dividends that are not encashed / claimed within seven years from the date of declaration of dividend will as per Section 124 of the Companies Act, 2013, be transferred to Investor Education and Protection Fund (IEPF). After transfer of the said amount to IEPF, no claims in this respect shall lie against IEPF or the Company
12. The Annual Report of the Company circulated to the members of the Company will be made available on the Company's website at **www.ladderup.com**.
13. **Voting through electronic means**
  - I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 21<sup>st</sup> AGM by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL):

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on Monday 22<sup>nd</sup> September 2014 (9.00 a.m.) and ends on Wednesday 24<sup>th</sup> September, 2014 (6.00 p.m.) . During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 04<sup>th</sup> September 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Then Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.</li> </ul>
	<ul style="list-style-type: none"> <li>In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the Electronic Voting Event Number (EVEN) for **Ladderup Finance Limited** on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a compliance user using the admin login and password. The compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- III. If you are already registered with CDSL for e-voting then you can use your existing user ID and password/PIN for casting your vote.
- IV. You can also update your mobile number and e-mail ID in the user profile details of the folio which may be used for sending future communication(s).
- V. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 04<sup>th</sup> September 2014.

- VI. Ms. Ashwini Rajshirke, Company Secretary, (Membership No. 26223 & COP No. 9746) Partner of M/s. H S Associates, Practicing Company Secretaries in whole time practice has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- VII. The Scrutiniser shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company. They will scrutinise all votes casted by the Shareholders and make their Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- VIII. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.ladderup.com](http://www.ladderup.com) and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to stock exchanges where the shares of the Company are listed i.e. BSE Limited.
14. **As Ladderup Finance Limited, being a listed company is compulsorily required to provide e-voting facility to its members in terms of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules 2014 and Clause 35B of the Listing Agreement, voting of show of hands will not be available to the members at the 21<sup>st</sup> AGM in view of the provisions of Section 107 read with Section 114 of the Companies Act, 2013.**
15. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 am to 1.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

Date : 11<sup>th</sup> August, 2014  
Place : Mumbai

**By Order of the Board**

Regd. Office : 102-A, 1<sup>st</sup> Floor, Hallmark Business Plaza,  
Gurunanak Hospital Road,  
Bandra (East), Mumbai-400 051

Sunil Goyal  
DIN: 00503570  
**(Managing Director)**

## EXPLANATORY STATEMENT

### As required by Section 102(1) of the Companies Act, 2013

#### Item Nos. 6, 7 & 8

The Company had appointed / Re-appointed Mr. K.V.S. ShyamSunder, Mr. K. Raghuraman and Mr. Alasdair Nisbet as Independent Directors as per applicable provisions of Companies Act, 1956 and Listing Agreement with Stock Exchange.

Mr. K.V.S. ShyamSunder, Mr. K. Raghuraman and Mr. Alasdair Nisbet are Directors whose offices are liable to determination by retirement by rotation under the erstwhile applicable provisions of the Companies Act, 1956. They are not disqualified from being appointed as Directors in terms of Section 164 of the Companies Act, 2013 and have given their consent to act as Directors of the Company. The Company has also received declarations from them that they meets the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement. In the opinion of the Board, Mr. K.V.S. ShyamSunder, Mr. K. Raghuraman and Mr. Alasdair Nisbet fulfill the conditions for appointment as Independent Directors as specified in the Companies Act, 2013 and the Listing Agreement.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement with Stock Exchange, it is proposed to appoint Mr. K.V.S. ShyamSunder, Mr. K. Raghuraman and Mr. Alasdair Nisbet as Independent Directors of the Company for a term of five consecutive years upto 31<sup>st</sup> March, 2019. Notices under Section 160 of the Companies Act, 2013 have been received from members proposing Mr. K.V.S. ShyamSunder, Mr. K. Raghuraman and Mr. Alasdair Nisbet as candidates for the office of Director of the Company. Brief resumes of Mr. K.V.S. ShyamSunder, Mr. K. Raghuraman and Mr. Alasdair Nisbet, nature of their expertise in specific functional areas and name of companies in which they hold directorships and memberships/chairmanships of the Board Committees, Shareholding and relationships between directors inter-se as stipulated under clause 49 of the Listing Agreement with the Stock Exchange, is annexed hereto.

The Board considers that their continued association would be of immense benefit to the Company and it is desirable to continue to avail services of Mr. K.V.S. ShyamSunder, Mr. K. Raghuraman and Mr. Alasdair Nisbet as Independent Directors. Accordingly the Board recommends the resolutions set out at Item Nos. 6, 7 & 8 in relation to appointment of Mr. K.V.S. ShyamSunder, Mr. K. Raghuraman and Mr. Alasdair Nisbet as Independent Directors of the Company, for the approval by the shareholders of the Company.

Except Mr. K.V.S. ShyamSunder, Mr. K. Raghuraman and Mr. Alasdair Nisbet, being appointees, none of the Directors and Key Managerial Personnel of the Company and their relatives are interested financial or otherwise, in the resolution set out at Item Nos. 6, 7 & 8. The Explanatory Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchange.

#### Item No. 9

The existing Articles of Association (AOA) are based on the Companies Act, 1956 and several regulations in the existing Articles of Association are no longer in conformity with the new Companies Act, 2013. Since many sections of the New Act have come into force, several regulations of the existing AOA of the Company require alteration or deletions. In to order avoid future certainties it is decided to amend and adopt the new set of Articles of Association of the Company as provided under Table F of the Companies Act, 2013 in lieu of the existing Articles of Association.

The Board commends the Special Resolution set out at Item no. 9 of the Notice for approval by the Shareholders.

None of the Directors and Key Managerial Personnel of the Company and their relatives are interested financial or otherwise, in the resolution set out at Item Nos. 9 of the Notice.

#### **Item No. 10**

The Company was initially focusing on financing and investment activities. However since the last few years the Company is also providing various other services such as Corporate Advisory, Wealth Management, Insurance Broking, etc., through its subsidiaries Companies under the Common brand “Ladderup”.

In order to reflect all the business activities carried out by the Company on a broad or level in the name of the Company, the Board of Directors in their meeting held on 06<sup>th</sup> May, 2014 decided to change the name of the Company from “Ladderup Finance Limited to “Ladderup Financial Services Limited subject to the various approvals required under Law.

The Board commends the Special Resolution set out at Item no. 10 of the Notice for approval by the Shareholders.

None of the Directors and Key Managerial Personnel of the Company and their relatives as concerned of interested, financial or otherwise, in the resolution set out at Item Nos. 10 of the Notice.

Date : 11<sup>th</sup> August, 2014  
Place : Mumbai

**By Order of the Board**

Regd. Office : 102-A, 1<sup>st</sup> Floor, Hallmark Business Plaza,  
Gurunank Hospital Road,  
Bandra (East), Mumbai-400 051

Sunil Goyal  
DIN: 00503570  
**(Managing Director)**

## APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS

The details pertaining to appointment or re-appointment of the Directors as required to be provided pursuant to Clause 49 of the Listing Agreement with the Stock Exchange are as follows:

Name of the Director	Mr. Manoj Singrodia	Mr. K.V.S ShyamSunder	Mr. K. Raghuraman	Mr. Alasdair Nisbet
Date of Birth	10.05.1964	29.07.1942	26.09.1948	17.09.1962
Date of Appointment	01.10.1993	16.01.2006	25.10.2010	11.06.2013
Expertise in specific functional area	Tax and Regulatory Matters, International Taxation Foreign Investment Structuring & Approvals	Banking Sector Specialised in Corporate & Retail Banking, Credit Rating, Review and Monitoring Systems and lending policies	Banking and Project Financing	Leading M&A advisor to the Chemical Industry
Qualification	Chartered Accountant	Chartered Accountant	Chartered Accountant	Chemistry Degree from Oxford University
List of outside Directorship held as on 31 <sup>st</sup> March, 2014 (Excluding Private Limited Companies and Foreign Companies)	<ol style="list-style-type: none"> <li>1) Ladderup Corporate Advisory Private Limited.</li> <li>2) Ladderup Wealth Management Private Limited.</li> <li>3) Ladderup Insurance Broking Private Limited</li> </ol>	<ol style="list-style-type: none"> <li>1) Liners India Limited</li> <li>2) Aarti Industries Limited</li> <li>3) Ladderup Wealth Management Private Limited</li> <li>4) Ladderup Corporate Advisory Private Limited</li> </ol>	<ol style="list-style-type: none"> <li>1) Oriental Carbon &amp; Chemicals Limited</li> <li>2) Nagarjuna Agrichem Limited</li> <li>3) Rama Phosphates Limited</li> <li>4) Birla Ericsson Optical Limited</li> <li>5) Canbank Factors Limited</li> <li>6) Centbank Financial Services Limited</li> <li>7) Nelco Limited</li> <li>8) Ladderup Corporate Advisory Private Limited.</li> </ol>	NIL
Chairman/Member of the Committee of Board of Directors of the Company as on 31 <sup>st</sup> March, 2014	1	2	9	Nil
No of Shares held in the Company as on 31 <sup>st</sup> March, 2014	121400	NIL	NIL	NIL

## DIRECTORS' REPORT

The Members,

Your Directors are pleased to present the Twenty First Annual Report of the Company, both on Standalone and Consolidated basis together with the Audited Statement of Accounts for the financial year ended 31st March, 2014.

### 1. FINANCIAL RESULTS:

(₹ in Lacs)

Particulars	2013-14	2012-13	2013-14	2012-13
	Consolidated		Standalone	
Operational and other Income	1,024.52	1,042.22	267.32	307.13
Profit before Depreciation and Tax	194.85	202.17	246.90	298.30
Less: Depreciation	20.30	23.55	2.44	2.55
<b>Profit before Tax</b>	<b>174.55</b>	<b>178.62</b>	<b>244.46</b>	<b>295.75</b>
Less: Tax expenses (includes provision for deferred tax asset/liability)	(8.06)	40.81	9.66	40.17
<b>Profit after tax</b>	<b>182.61</b>	<b>137.81</b>	<b>234.80</b>	<b>255.58</b>

The Consolidated Statements provide the results of Ladderup Finance Limited together with those of its subsidiaries.

### 2. FINANCIAL HIGHLIGHTS:

#### Consolidated Performance

Your Company has earned total a consolidated revenue of ₹ 1,024.52 Lacs in FY 2013-14 as compared to ₹ 1,042.22 Lacs in FY 2012-13. The profit after tax in FY 2013-14 is ₹ 182.61 Lacs as compared to ₹ 137.81 Lacs in FY 2012-13.

#### Standalone Performance

Your Company has earned total profit after tax during the current year amounting to ₹ 234.80 Lacs as against ₹ 255.58 Lacs in the previous year. Decline in the profit is basically attributed towards fewer returns upon sale of listed and unlisted securities held by the Company.

Your company as in the last few years continues to invest in asset based transactions with good growth prospects.

In FY 2013-14, your Company's subsidiary, Ladderup Corporate Advisory Private Limited (LCAPL) continued its in-depth coverage and servicing of large and mid-market corporate clients. It was able to build significant relationships with many well-known, reputed corporate groups during this year while focusing on deepening relationships with the existing clients through an array of customized and regular product offerings.

LCAPL also advised on a number of significant cross-border and domestic M&A deals. LCAPL has taken a conscious effort of building a sector based approach and has identified a few sectors of focus viz. Packaging, Chemicals, Engineering, Consumer Goods and Renewable Energy.

LCAPL is strengthening its Merchant Banking team and the Equity Capital Market (ECM) segment, set up during the year has been able to successfully handle an open offer assignment, a underwriting assignment for a Company which got its shares listed on NSE SME platform apart from a few other valuation assignments.



## DIRECTORS' REPORT

Ladderup Wealth Management Private Limited, the other subsidiary of your Company is engaged in the wealth management solutions for HNIs, SMEs and Corporates. This business performance of LWMPPL was stable during the FY 2013-14.

### 3. DIVIDEND

Your Directors have recommended a dividend of ₹ 0.50 paise (5%) per Equity Share of the face value of ₹ 10 each for the FY 2013-14 amounting to ₹ 64,26,300 (Excluding Dividend Distribution Tax). The Dividend will be paid to members whose names appear in the register of Members as on 19<sup>th</sup> September, 2014 in respect of shares held in dematerialized form and will be paid to members whose names are furnished by Depositories.

### 4. NON-DEPOSIT TAKING NON-BANKING FINANCIAL COMPANY (NBFC)

The Company has been registered as a Non-Banking Financial Institution on 24<sup>th</sup> February, 1998 in terms of the provisions of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007. Your Company is categorised as a Non-deposit taking Non-Banking Financial Company. 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

In accordance with the provisions of the Companies Act, 2013 and that of Articles of Association of the Company, Mr. Manoj Singrodia, Director of the Company retires by rotation at this Annual General Meeting of the Company and being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

Mr. T. B. Subramaniam, Independent Director of the Company retires by rotation at the forthcoming Annual General Meeting of the Company. However Mr. T. B. Subramaniam does not wish to offer himself for re-appointment at the Annual General Meeting.

Board acknowledges the guidance rendered by Mr. T. B. Subramaniam to the Company during his long tenure with the Company.

Mr. K.V.S. ShyamSunder, Mr. K. Raghuraman and Mr. Alasdair Nisbet were appointed as Non-Executive Independent Directors of the Company liable to retire by rotation in accordance with the provision of the erstwhile provisions of the Companies Act 1956. The Company has received notice in writing from members proposing Mr. K.V.S. ShyamSunder, Mr. K. Raghuraman and Mr. Alasdair Nisbet for appointment as Independent Directors of the Company for term of five years upto 31<sup>st</sup> March, 2019. The Board recommends their appointment at the Annual General Meeting.

The Company has received declarations from all the Independent Directors confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 under Clause 49 of the Listing Agreement with the stock exchanges.

No new Independent Directors have been appointed during the year.

### 6. DIRECTORS RESPONSIBILITY STATEMENT

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

- a) That in the preparation of the accounts, the applicable accounting standards have been followed.
- b) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair

## DIRECTORS' REPORT

view of the state of affairs of the Company as at 31<sup>st</sup> March, 2014 and of the Profit of the Company for the year ended 31<sup>st</sup> March, 2014.

- c) That the Directors have taken proper and sufficient care 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) That the Directors have prepared the Annual accounts on a going concern basis.

### 7. SUBSIDIARIES

The Company has three subsidiaries i.e. Ladderup Corporate Advisory Private Limited, Ladderup Wealth Management Private Limited and Ladderup Insurance Broking Private Limited. In accordance with the general circular issued by Ministry of Corporate Affairs, the Balance, Profit & Loss Account and other documents relating to the Subsidiary Companies are not being attached with the Balance Sheet of the Company. The Company will enable the Members who may be interested in obtaining the Annual Accounts and other documents of the Subsidiary Companies. The same will also be placed and kept open for inspection at the Registered Office of the Company. The Consolidated Financial Statements presented by the Company include the financial results of its subsidiary Companies. A statement containing details as required under Section 212(8) of the Companies Act, 1956 is enclosed herewith to this report.

### 8. AUDITORS & AUDITOR'S REPORT

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

The Company has received communication from M/s. Khurdia Jain & Co., Chartered Accountants, Mumbai stating that their appointment, if made, would be within prescribed limits under section 141(3)(g) of the Companies Act, 2013. The Audit Committee and Board of Directors recommend reappointment of M/s. Khurdia Jain & Co. as Statutory Auditors of the Company to hold office conclusion of the ensuing Annual General Meeting till the conclusion of next Annual General Meeting and to fix their remuneration.

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

### 9. CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI.

Pursuant to Clause 49 (VII) of the Listing Agreement with the Stock Exchange, a separate report on Management Discussion and Analysis, Corporate Governance Report and requisite Certificate from M/s. HS Associates, Practicing Company Secretaries, Mumbai, confirming the compliance with conditions of Corporate Governance are enclosed to this Report.

A Certificate from the Managing Director of the Company in terms of sub-clause (v) of clause 49 of the Listing Agreement, *inter alia*, confirming the correctness of the Financial Statements, adequacy of the internal control measures and reporting of matters to the Audit Committee is also annexed herewith

## DIRECTORS' REPORT

### 10. MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT (MDA)

Management's Discussion and Analysis Report for the year under review, as stipulated under clause 49 of the Listing Agreement with the Stock Exchange, is presented in a separate section forming part of this Annual Report.

### 11. 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.

### 12. ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

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 earnings or outgoing during the year.

### 13. ACKNOWLEDGEMENT

Your Directors take this opportunity to express their grateful appreciation for the excellent assistance and co-operation received from all our Clients, Financial Institutions, Bankers, Business Associates and the Government and other regulatory authorities and thanks all stakeholders for their valuable sustained support and encouragement towards the conduct of the proficient operations of the Company. Your Directors would like to place on record their gratitude to all the employees who have continued their support during the year.

Date : 11<sup>th</sup> August, 2014

**For and on behalf of the Board**

Place : Mumbai

Regd. office : 102-A, 1<sup>st</sup> Floor,  
Hallmark Business Plaza,  
Gurunank Hospital Road,  
Bandra (East), Mumbai-400 051  
Mumbai-400 051

<b>(Sunil Goyal)</b>	<b>(Deepak Ladha)</b>
DIN: 00503570	DIN: 03584571
Managing Director	Executive Director

### LADDERUP IN 2013-14 – BUSINESS & FINANCIAL PERFORMANCE

#### Ladderup Finance Ltd (LFL)

The Company being a registered NBFC with RBI is primarily engaged in the business of investing in securities of listed and unlisted companies. The investment portfolio of your Company is diversified across various sectors such as financial services, healthcare, retail, packaging, information technology, real estate, etc.

For FY 2013-14 on a standalone basis, the Company's profit after tax stood at ₹ 234 Lacs as against ₹ 255 Lacs in the previous year thereby a decrease in profits of about 9% as compared to the previous year.

Your Company as in the last few years continues to evaluate investment opportunities in asset based transactions with good growth prospects.

#### Ladderup Corporate Advisory Private Limited (LCAPL)

The FY 2013-14 was an extremely difficult and uncertain year for companies operating in the financial services space. The global macroeconomic conditions as well as domestic market conditions converged simultaneously to create strong headwinds. There was perceptible impact on margins and profitability for most companies in the financial services space as well.

LCAPL's revenues decreased from ₹ 581 Lacs in previous year to ₹ 536 Lacs and this resulted in the Net Loss for the 2014 of ₹ 51 Lacs as against a Net Loss of ₹ 24 lakhs in the previous year.

LCAPL continued its in-depth coverage and servicing of large and midmarket corporate clients during the year. The Company was able to build significant relationships with many well-known, reputed corporate groups during this year while focusing on deepening relationships with the existing clients through an array of customised advisory services.

The year saw mixed trends in the credit environment. Some sectors underwent stress while others continued to show growth. LCAPL focused mainly on the growth sectors. The year saw a stable trend in credit demand from the corporate and mid-market business segments for working capital and term facilities. LCAPL's debt vertical was able to tap this opportunity.

The volatility and weak sentiment in the secondary markets for most of the year considerably impacted the primary markets. While LCAPL started the financial year with a number of private equity offerings in the pipeline, many of them could not be completed due to challenging market conditions. Some of the deals got extended into the current financial year.

LCAPL also advised on a number of significant cross-border and domestic M&A deals. LCAPL has taken a conscious effort of building a sector based approach and has identified a few sectors of focus viz. Packaging, Chemicals, Engineering, Consumer goods, Renewable Energy and the current pipeline of deals reflects these efforts.

LCAPL strengthened its Merchant Banking Team and the Equity Capital Market (ECM) segment, in the FY 2013-14. The Team has been able to successfully handle an open offer assignment, an underwriting assignment for a Company which got its shares listed on NSE SME platform and a few other valuation assignments.

#### Ladderup Wealth Management Private Limited (LWMPL)

The business performance of Ladderup Wealth Management was stable during the FY 2013-14. The financial markets witnessed a lot of local and global headwinds during the year. We saw heightened

## MANAGEMENT DISCUSSION AND ANALYSIS

volatility in the USD/INR exchange rate with INR touching historical lows. RBI took some very strong measures to control the INR volatility in July 2013 by raising short term rates sharply and also cutting down on liquidity. The move had across the board impact on bond prices. On the stock markets front as well, sharp bouts of volatility were witnessed for the major part of the year. In the month of March, 2014 however, markets staged a smart break out on the potential election results.

On the business front the Asset under Management remained almost static. The effect of new money flows was counterbalanced with exit of some large investors due to their liquidity needs. The team strength remained constant during the year. The Estate Planning vertical gained more strength during the year. It is expected to not only provide an additional stream of revenues but would also help us in client acquisition for wealth management.

The FY 2014-15 looks much brighter with the investment sentiment seeing an uplift. We are also planning to expand our team further to take advantage of the improving market conditions. The focus in the coming year is going to be increasing our assets under management substantially as well as to also strengthen the revenues from the Estate Planning business.

### **Ladderup Insurance Broking Private Limited (LIBPL)**

Ladderup Insurance Broking Private Limited continued its regular business operations this year and the focus has been to generate more business in the area of both General Insurance as well as Life Insurance. The market dynamics being challenging the Company continues its best efforts and practices to sustain itself and perform.

## **ECONOMIC & INDUSTRY OVERVIEW**

The Global economic environment in FY 2013-14 remained challenging. India's real GDP growth continued to remain subdued at 4.7% for FY 2013-14 which was 4.5% for FY 2012-13. This marks two consecutive years of sub-5% GDP growth, reflecting the slowest pace of expansion in nearly a decade as well as slowdown in consumption demand. While slower growth is a major worry, inflation concerns have still remained pertinent with WPI inflation ruling around 6% for the FY 2013-14, falling from around 7.4% for the FY 2012-13. While the CPI inflation which was running close to double-digits at 10.4% for the FY 2012-13 has marginally declined to 9.5% for FY 2013-14. The Current Account Deficit (CAD) declined sharply from a record high of 4.7% of GDP to 1.7% of GDP in FY 2013-14. The primary reason for such an achievement was the steps taken by the Government and RBI in curtailing CAD. The Government put restrictions on imports of non-essential items like gold, silver by increasing customs duty to a peak of 10%. The measures taken by RBI in easing the ECB norms also supported the same. The forex reserve position of the country also improved to USD 304.2 bn. at the end of FY 2013-14 from USD 292 bn. at the end of FY 2012-13.

Such a prolonged slowdown has been the result of a confluence of factors – lingering administrative bottlenecks and associated slowdown in project clearance, large fiscal spending, tight monetary conditions and weak internal as well as external demand.

However, with the new Government coming to power under the leadership of Mr. Narendra Modi there is lot of hope that the new policy framework would support the growth engine. Though there remains some major concerns with a slow monsoon in certain parts of the country and industry growth still being subdued. The food prices would need to be consistently watched, to not let the inflation element go out of control. The current situation indicates that there is likely to be a pick-up in consumption and investment, especially with a heavy thrust on infrastructure development and building capacities.

## MANAGEMENT DISCUSSION AND ANALYSIS

### FINANCIAL AND CAPITAL MARKET

#### CAPITAL MARKET

##### M&A and PE activity

Both M&A and PE deals saw a dip in FY 2013-14 vis-à-vis FY 2012-13

M&A deals saw a dip of 23.7% in terms of deal value in FY 2013-14 (₹ 1,74,117 crores in FY 2013-14 as against ₹ 2,28,223 crores in FY 2012-13) with the number of deals declining by 16.4% (500 in FY 2012-13 as against 598 in FY 2012-13).

The increase in inbound deal activity was mainly due to several MNCs increasing their holdings in Indian units through the market route or indirect restructuring. Pharma, Healthcare & Biotech; Real Estate and Cement were the top sectors which saw maximum activity in Domestic M&A whereas Inbound M&A saw maximum activity in Pharma, Healthcare & Biotech; Telecom and Manufacturing. Outbound M&A was largely focused on the Oil & Gas sector.

There was a notable reversal in cross border M&A activity in terms of value with the focus shifting from outbound to inbound acquisitions in FY 2013-14. A brief summary is as follows:

₹ Crore

Deal Summary Year	Volume		Value		Average Deal Size	
	FY 13	FY 14	FY 13	FY 14	FY 13	FY 14
Domestic	234	220	33,240	35,514	142	161
Cross Border						
Inbound	140	139	38,703	53,385	276	384
Outbound	122	82	75,345	57,135	618	697
Mergers and Internal Restructuring	102	59	80,934	28,083	793	476
<b>Total</b>	<b>598</b>	<b>500</b>	<b>228,223</b>	<b>174,117</b>		

Source: Industry

PE activity saw a drop of 12.5% in terms of number of deals, however there was an increase of over 25% in terms of value.

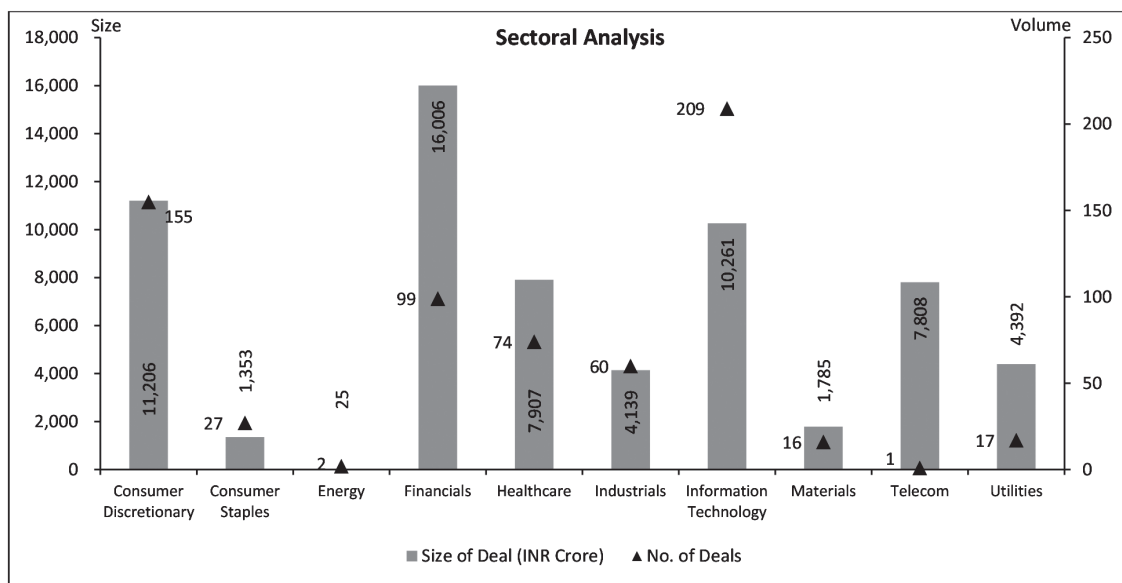
₹ Crore

Deal Summary Year	Volume		Value		Average Deal Size	
	FY 13	FY 14	FY 13	FY 14	FY 13	FY 14
Angel/ Seed	214	205	476	692	2	3
Venture Capital	189	163	5,294	7,555	28	46
Private Equity	351	292	46,141	56,635	131	194
<b>Total</b>	<b>754</b>	<b>660</b>	<b>51,911</b>	<b>64,882</b>		

Source: Industry

## MANAGEMENT DISCUSSION AND ANALYSIS

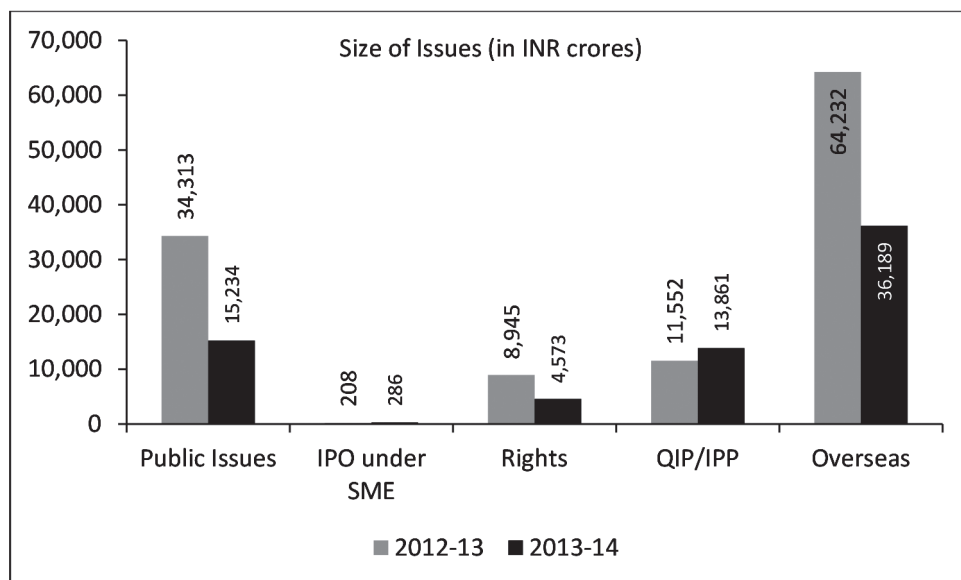
Following is a chart showing PE deals by sector: Financials, Consumer, IT and Healthcare segments dominate the PE deals collectively representing 72% of the total deal value in FY 2013-14

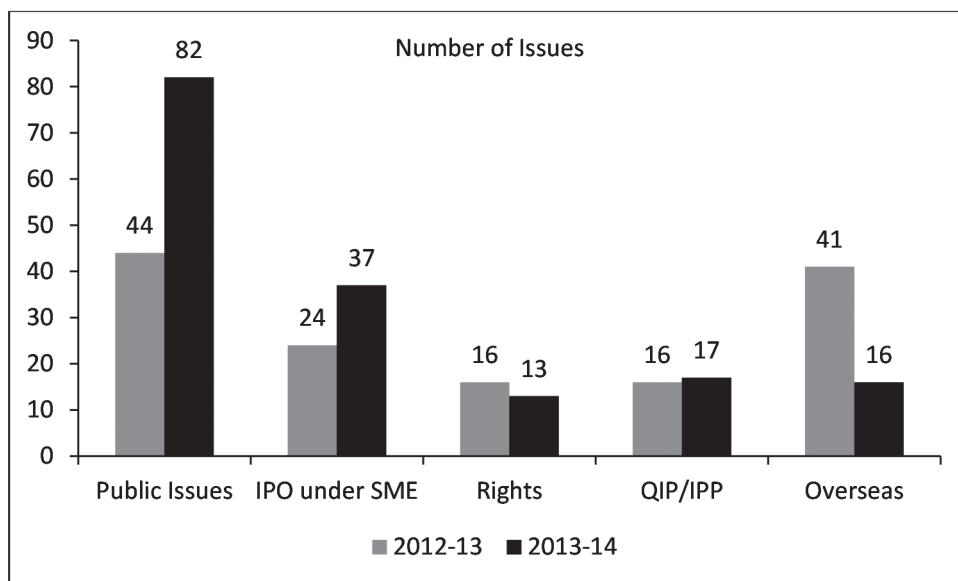


Source: Industry

### PRIMARY EQUITY MARKETS

The declining trend of fund raising that began in FY 2011-12 and witnessed in FY 2012-13 saw a continuing downtrend during FY 2013-14. In value terms, Indian companies raised a significantly lesser amount than FY 2012-13. The SME platform witnessed a few IPOs in FY 2013-14 and we hope that the activity on this platform will increase in the future.





Source: Industry

## SECONDARY MARKET EQUITY

Indian equity markets have seen FII investment of ₹ 79,709 crores in FY 2013-14 as compared to ₹ 140,033 crores in FY 2012-13.

The Sensex was at 18,864 (1<sup>st</sup> April, 2013 opening) and closed at 22,386 (31<sup>st</sup> March, 2014), up 18.7% in line with global capital markets. In addition, the markets have been volatile, the current financial year saw the Sensex at a high of 22,467 (31<sup>st</sup> March, 2014) and at a low of 17,449 (28<sup>th</sup> August, 2013).

The mutual fund industry has registered an increase of 10.6% in the market value of its assets under management (AUM) during the FY 2013-14 with the AUM approximately at ₹ 9,10,795 crores as on 31st March, 2014 as against ₹ 8,23,195 crores as on 31st March, 2013.

The victory of the Modi Government has brought 'Achhe Din' in the capital markets, taking indices to new highs and the investor sentiment has improved. In the coming years, the Company believes strongly about the growth prospects of the Indian economy and the financial markets. Indian Companies will draw significant attention from domestic as well as global investors which would lead to healthy fund raising from primary markets – from IPOs as well as PE funds. Also, tremendous growth opportunities for Companies across industries and growing aspirations of Indian corporates will result in significant M&A activity with divestitures/mergers/reorganizations, etc. taking place in large numbers.

## OPPORTUNITIES

The sentiment in the Indian financial market has changed considerably over the past few years; the economic growth, though subdued for last couple of years, is likely to show positive momentum over the coming years. This has presented ongoing opportunities for financial intermediaries to spread and benefit from the investment culture across the country.



## MANAGEMENT DISCUSSION AND ANALYSIS

Following factors present specific opportunities across our businesses:

- Improved sentiment, regards both consumption and investment, on account of formation of a stable government;
- Clarity on reforms related to FDI and retrospective taxation, positively impacting investments through FII and FDI route and thus paving the way for increased Inbound M&A and PE;
- Improvement in fund raising activities through primary capital markets;
- Higher disinvestment target by the new Government;
- Growing Corporate activities and related need for fund raising, re-organisation and acquisitions;
- Low penetration of financial services and products in India;
- Globalisation - corporates looking at expanding in domestic/overseas markets through merger & acquisitions;
- Growing midsize segment of corporate activity where the need for customised solution is particularly high;
- Regulatory reforms including policy framework aiding greater participation by all class of investors;
- Growing Financial Services industry's share of wallet for disposable income;
- Wealth management business transforming from mere wealth safeguarding to growing wealth;
- Regulatory reforms would aid greater participation by all class of investors;
- Emerging technology to enable best practices and processes;
- Size of the Indian capital market and favourable demographics like huge middle class, relatively large younger population with disposable income and investible surplus and risk taking abilities of the youth.

In this backdrop, Ladderup Group has evolved into a strong and focused financial services organization over the years and is set to further accentuate its business growth in the Investment Banking, Merchant Banking, Debt Syndication and Wealth Management.

### THREATS

Despite great opportunities, there are significant factors presenting threats to our businesses viz.

- Bad monsoon leading to higher food prices, thus inflation may continue to remain out of control which may lead RBI to continue with monetary tightening policy measures;
- Impact on economic growth of the rising prices of oil and industrial raw materials and high inflation;
- Volatility in the Rupee-US Dollar movement due to various factors including current account deficit;
- Increased competition from local and global players operating in India;
- Continuous downward pressure on the fees, commissions and brokerages caused by an overbanked market and willingness of most players to deliver services at very low fees.

However, your Company is well aware of the above threats and has worked steadily to strengthen its business operations by putting appropriate policies and measures in place and well positioned to counter any adverse threat successfully.

## MANAGEMENT DISCUSSION AND ANALYSIS

### RISK AND CONCERN

In this era of globalisation the financial service sector has been integrated with the global markets and is becoming more complex and competitive with introduction of newer and complex products & transactions, stringent legislative and regulatory environment. The ability to manage risks across geographies, products, asset classes, customer segments and functional departments is of paramount importance for the hindrance-free growth of the organisation which helps in delivering superior shareholder value by achieving an appropriate tradeoff between risks and returns.

Risk is inevitable in business and there are various risks associated with your Company as well like portfolio risk, industry risk, credit risk, internal control risk, technology risk, regulatory risk, human resources risk and competition risk. The Company's focus of risk management is all about risk reduction and avoidance. It has comprehensive integrated risk management framework that comprise of clear understanding of the Company's strategies, policies, initiatives, norms, reporting and control at various levels.

Timely and effective risk management is of prime importance to our continued success. The risk for the Company arises mainly out of the risks associated with the operations we carry. Experienced professionals review and monitor risks in our Company. We have comprehensive risk management policies and processes to mitigate the risks that are encountered in conducting business activities. The management also periodically reviews the policies and procedures and formulates plans for control of identified risks and improvements in the systems.

A risk/compliance update report is regularly placed before the Audit Committee /Board of Directors of the Company. The Directors/Audit Committee review the risk/compliance update reports and the course of action taken or to be taken, to mitigate and manage the risks is taken.

### HUMAN RESOURCES

We are a dynamic and progressive Group that actively fosters a challenging work environment and encouraging entrepreneurship. We groom leaders to drive our future in knowledge intensive, people driven business, such as, ours. We strive towards creating an empowering environment to support the development of highly motivated and skilled professionals in their pursuit of excellence. With trust being the critical part of our business belief, we lay strong emphasis on integrity, teamwork, innovation, performance and partnership.

Our organisation is committed and focused on identifying and retaining the right talent to meet the overall business strategy and objective. The broad range of activity includes viz. robust manpower planning process in line with the business objective, enhancement of employee skill-sets by identifying training and development needs, retention programmes, reward and recognition, learning and development.

We aim to continue on the path of pursuing excellence through unorthodox means and out of the box methodologies thereby expanding the horizons of our conventional wisdom. The coming year will see us harnessing the maximum benefits from these initiatives and unleashing the power of human capital.

### INTERNAL CONTROL AND THEIR ADEQUACY

Your Company being in service industry, has in place clear processes and well-defined roles and responsibilities for its employees at various levels. The Management has a defined reporting system,

## MANAGEMENT DISCUSSION AND ANALYSIS

which facilitates monitoring and adherence to the process and systems and various statutory compliances. These have been designed to provide reasonable assurance with regard to maintaining proper accounting controls, monitoring economy and efficiency of operations, protecting assets from unauthorised use or losses, and ensuring reliability of financial and operational information published from time to time.

### OUTLOOK – 2014-15

The FY 2014-15 started on a note of optimism and above all HOPE. The new and stable Government at the Centre has raised expectations from people across all the segments – industry, services, agriculture *et al.* To turn the economy from its current impasse it would need major efforts and policy measures backed by timely implementation. A lot is desired, especially towards boosting overall business environment and reposing faith in the Indian economy.

The recent Budget clearly indicates that there is renewed push for investments in the infrastructure, energy, manufacturing and exports which would facilitate the economy to regain its lost momentum and aim at higher GDP growth. At the same time the RBI and the Government is quite focused on improving the fiscal discipline by reining the fiscal deficit and bringing it further down. For this an important consideration would be the achievement of disinvestment targets and the improvement in revenue collections. The external environment especially improving global economy will also weigh on improving overall growth rate.

For FY 2014-15, the GDP growth rate is expected to range between 5.4% to 5.9% with expectations of better performance from manufacturing, modest global growth revival and improved balance of payments situation. Government is cognisant of the fact that it cannot depend on external environment and has to move quickly to restore the growth momentum for the economy. We expect that the current year would set the undertone for revival which would gain good momentum in coming years.

### CAUTIONARY STATEMENT

The Statements in this Management Discussion and Analysis Report describing the Company's objectives, projections, estimates and expectations may be forward looking statements within the meaning of applicable laws and regulations. Actual results might differ materially from those expressed or implied.

The Company is not under any obligation to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.

## REPORT ON CORPORATE GOVERNANCE

### 1. CORPORATE GOVERNANCE PHILOSOPHY

Ladderup Group continues to be guided by a good corporate governance practice and is committed to follow the spirit of the law and not just letter of the Law. All employees are guided by the vision of the management of the Company to work towards attaining highest levels of transparency, fairness, accountability and integrity in dealings with all the constituents of the business. It is the endeavor of the management to achieve the highest standard of governance by adopting the best emerging practices and not only adhere to the prescribed corporate governance practices in terms of the regulatory requirements.

### 2. BOARD OF DIRECTORS:

The Board of Directors (“the Board”) of your Company is responsible for and is committed to sound principles of the corporate governance in the Company. The Board plays a crucial role in overseeing how the management serves the interest of the Shareholders and other Stakeholders. This belief is reflected in our governance practice, under which we strive to maintain an effective, informed and independent Board to ensure best practice.

As on 31<sup>st</sup> March, 2014 the Company has 8 Directors consisting of 4 Non-Executive Independent Directors, 3 Executive Directors and 1 Non-Executive Director. The composition of the Board is in conformity with Clause 49 of the Listing Agreements entered into with the Stock Exchange. None of the Non-Executive Directors is responsible for day-to-day affairs of the Company.

**The Composition and Category of Board of Directors during the year 2013-14 was as follows**

Category	Name of the Directors
Independent Non-Executive Director	Mr. T. B. Subramaniam, Chairman
	Mr. K.V.S. ShyamSunder
	Mr. K. Raghuraman
	Mr. Alasdair Nisbet
Executive Director	Mr. Sunil Goyal, Managing Director
	Mr. Deepak Ladha, Executive Director
	Mr. Harsha Saksena, Executive Director
Non-Executive Director	Mr. Manoj Singrodia

#### ***Meetings and Attendance***

The Company’s Governance Policy, which is in pursuance with the Listing Agreement, is strictly followed by the Board. The Board meets at regular intervals to discuss and decide on Company’s business policy along with the other Board business. However, in case of a special and urgent business need, the Board approval is taken by passing resolution by circulation, as permitted by law, which is then confirmed in the ensuing Board Meeting.

Four Board Meetings were held during the financial year ended 31<sup>st</sup> March, 2014 complying with the requirement under the Listing Agreement. The maximum interval between any two meetings was well within the allowable gap of four months. The dates on which the meetings were held are 27<sup>th</sup> May, 2013, 14<sup>th</sup> August, 2013, 14<sup>th</sup> November, 2013 and 28<sup>th</sup> January, 2014.

#### ***Information placed before the Board***

The Board of Directors were provided with all the required information wherever applicable and materially significant. These information are submitted either as a part of agenda papers or are tabled in the course of the meeting for enabling them to give their valuable inputs.

## REPORT ON CORPORATE GOVERNANCE

The following are tabled for the Board's periodic review/information/approval:

- Annual Operating Plans of business and any updates thereon;
- Quarterly Results of the Company and its Subsidiaries along with the operating divisions or business segments;
- Statement of significant and other arrangements entered by the Company or its Subsidiaries;
- Status of legal compliances;
- Formation/Re-constitution of the Board Committees;
- Minutes of Unlisted Subsidiaries and Board Committees;
- Inter-Corporate Investment, Loans and Guarantees;
- Appointment / Resignation of Directors/ Senior Managerial Personnel;
- General Notice of Interest of Directors;
- All other matters required to be placed before the Board for its review/information/approval under the statutes including Clause 49 of the Listing Agreement.

**Attendance of Directors at Board Meetings, Last Annual General Meeting and number of other Directorship and Chairmanship/Membership of Committees of each Director in various Companies are as under:**

Name of the Directors	Attendance at Meetings during 2013-14		No. of other Directorships <sup>1</sup>	No. of other Committee Chairmanship(s)/ Membership(s) <sup>2</sup>
	Board Meetings	Last AGM held on 28 <sup>th</sup> September, 2013		
Mr. T. B. Subramaniam	1	Absent	2	4
Mr. K.V.S. ShyamSunder	3	Present	2	0
Mr. K. Raghuraman	4	Present	9	9
Mr. Alasdair Nisbet	2	Absent	—	—
Mr. Sunil Goyal <sup>3</sup>	4	Present	5	1
Mr. Manoj Singrodia	3	Present	3	0
Mr. Deepak Ladha	4	Present	1	0
Mr. Harsha Saxena <sup>4</sup>	2	Present	1	—
Mr. K. M. Tulsian <sup>5</sup>	—	Absent	—	—

<sup>1</sup> The Directorships held by Directors as mentioned above, do not include Directorships of Foreign Companies, Section 25 Companies, Private Limited Companies and Private Limited Companies, which are not subsidiary of a Public Company. In respect of promoter directors, private companies which are subsidiaries of Public Companies have been classified as Public Companies. However in respect of other directors the management has relied on the disclosures received from the respective directors under Section 299 of the Companies Act, 1956 / Section 184 of the Companies Act, 2013, for classification of companies as private or public.

<sup>2</sup> In accordance with Clause 49 of the Listing Agreement, the Membership/ Chairmanship of only the Audit Committee and the Shareholders'/ Investors' Grievance Committee in all Public Limited Companies are considered. None of the Directors on the Board is a Member of more than Ten Committees or a Chairman of more than Five Committees, across all the Companies in which they are Directors. The Directors have made the necessary disclosures regarding Committee positions.

## REPORT ON CORPORATE GOVERNANCE

- <sup>3</sup> Re-appointed as a Managing Director w.e.f. 1<sup>st</sup> April, 2013
- <sup>4</sup> Appointed as an Executive Director w.e.f. 14<sup>th</sup> August, 2013
- <sup>5</sup> Had opted not to be reappointed as Director of the Company at the AGM held on w.e.f. 28<sup>th</sup> September, 2013.

### **Post-Meeting follow-up mechanism**

An effective post meeting follow-up, review and reporting process for the decisions taken by the Board or its Committees are promptly communicated to all those concerned in the Company. Action Taken Report on the progress of the Company is placed at the succeeding Meeting of the Board/ Committee for noting.

### **3. BOARD COMMITTEES**

Currently, there are 4 active Board Committees – Audit Committee, Shareholders’/Investors’ Grievance Committee, Remuneration Committee and Investment Committee. The terms of reference of these Committees are defined by the Board from time to time. Meeting of each Board Committee is convened by the respective Committee Chairman. The signed minutes of the Committee Meetings are placed before the Board for information and noting. Matters requiring Board’s attention are generally discussed with the members. The role and composition of these Committees including the number of Meetings held during the financial year and their respective attendance details are provided below.

#### **a) Audit Committee**

The Audit Committee, *inter alia*, provides reassurance on the existence of an effective internal control environment that ensures efficiency and effectiveness of operations; safeguarding of assets and adequacy of provisions of all liabilities. It assists the Board on the quality and integrity of the accounting, auditing and reporting practices of the Company and its compliance with the legal and regulatory requirements. The Broad terms of reference and functions of the Audit Committee are as follows:

- 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 audit reports of Statutory Auditors with the Management and Statutory Auditors.
- Reviewing Financial Reporting Systems.
- Reviewing with the Management, the quarterly financial statements before submission to the Board for approval.
- Reviewing Management Discussion and Analysis of financial condition and results of operation.
- Reviewing statement of significant related party transactions submitted by the management.
- Reviewing accounting treatment and confirmation of the fact that the financial statements are giving true and fair view.
- Any other items of reference as may be included from time to time in Clause 49 of the Listing Agreement.

#### **Composition, Meetings and Attendance**

The Audit Committee presently comprises of four Members majority of them being Independent Non-Executive Directors. The Chairman of the Committee is a Non-Executive Independent Director. All the Members of the Committee are financially literate and have accounting & financial management expertise. The Company Secretary to the Company acts as Secretary to the Committee.

## REPORT ON CORPORATE GOVERNANCE

During the financial year ended 31<sup>st</sup> March, 2014 four Meetings were held on 27<sup>th</sup> May, 2013, 14<sup>th</sup> August, 2013, 14<sup>th</sup> November, 2013 and 28<sup>th</sup> January, 2014.

Name of the Members	Category	No. of Meetings attended
Mr. T. B. Subramaniam	Chairman (Independent Non-Executive Director)	1
Mr. K V S ShyamSunder	Member (Independent Non-Executive Director )	4
Mr. K. Raghuraman	Member (Independent Non-Executive Director )	4
Mr. Sunil Goyal	Member (Managing Director)	4

### b) Shareholders/Investors Grievance Committee

This Committee oversees redressal of Shareholders'/Investors' Grievances and is empowered to perform the following functions on behalf of the Board in relation to handling of Shareholder's/Investors' 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 Agents.
- Review of Corporate actions related work.
- Monitoring implementation and compliance of Company's Code of Conduct.

#### ***Composition, Meetings and Attendance***

The Committee presently comprises of 4 Members, 2 of whom are Independent Directors. The Chairman of the Committee is an Independent Non-Executive Director.

During the financial year ended 31<sup>st</sup> March, 2014 four meetings were held on 27<sup>th</sup> May, 2013, 14<sup>th</sup> August, 2013, 14<sup>th</sup> November, 2013 and 28<sup>th</sup> January, 2014.

Name of the Members	Category	No. of Meetings attended
Mr. K.V.S ShyamSunder	Chairman (Independent Non-Executive Director)	4
Mr. Manoj Singrodia	Member (Non-Executive Director)	3
Mr. Deepak Ladha	Member (Executive Director)	4
Mr. Sunil Goyal	Member (Managing Director)	4

#### ***Shareholders'/Investors' Redressal***

During the year under review, the Company did not receive any complaints for non-receipt of transferred Share Certificates, Annual Reports, Warrants etc. and hence no complaints outstanding as on 31<sup>st</sup> March, 2014. To expedite these processes the Board has delegated necessary powers to the Registrar and Share Transfer Agents viz. M/s. Sharex Dynamic (India) Private Limited.

## REPORT ON CORPORATE GOVERNANCE

### c) Remuneration Committee

This Committee is entrusted with all necessary powers and authority to ensure appropriate disclosure on the remuneration of the Directors and to deal with all elements of the remuneration package of all the Directors including but not restricted to the following:

- To review, assess and recommend the appointment and remuneration of Executive Directors.
- To review the remuneration packages payable to Executive Directors periodically and recommend suitable revision/ increments, whenever required to the Board of Directors.
- To recommend the commission, if any payable to the Non-Executive Directors(s) in accordance with and up to the limits laid down under the Companies Act, 1956.
- To carry such other functions as delegated by the Board from time to time.

#### ***Composition, Meetings and Attendance:***

The Remuneration Committee comprises of 3 Non-Executive Directors, and the Chairman is an Independent Non-Executive Director. During the financial year ended 31<sup>st</sup> March, 2014, no meeting of the Committee was held.

Name of the Members	Category
Mr. T. B. Subramaniam	Chairman (Independent Non-Executive Director)
Mr. K. Raghuraman	Member (Independent Non-Executive Director )
Mr. Manoj Singrodia	Member (Non-Executive Director)

#### ***Remuneration Policy***

The Remuneration Policy aims at attracting and retaining high calibre talent. The policy of the Company is in consonance with the existing industry practice. The remuneration package of the Executive Directors is determined by the Remuneration Committee within the permissible limits, subject to approval by the Board and Shareholders in the General Meeting and as per applicable provisions of the Companies Act, 1956. The Executive Directors are paid remuneration as fixed by the Board/ Shareholders. However, the Non-Executive Independent Directors do not receive any remuneration except sitting fees.

#### ***Details of sitting fees paid to the Directors during the financial year 2013-14***

Name of Director	Sitting Fees (₹)
Mr. T. B. Subramaniam	5,000
Mr. K.V.S ShyamSunder	25,000
Mr. K. Raghuraman	20,000
Mr. Alasdair Nisbet	10,000



## REPORT ON CORPORATE GOVERNANCE

### *Shareholding of the Non-Executive Directors (As on 31<sup>st</sup> March, 2014):*

Name of the Non-Executive Directors	Number of Equity Shares of ₹ 10/- each
Mr. T. B. Subramanian	4,100
Mr. K.V.S. ShyamSunder	Nil
Mr. K. Raghuraman	Nil
Mr. Alasdair Nisbet	Nil
Mr. Manoj Singrodia	1,21,400

Note: The Company has no Non-Convertible Instruments.

#### **d) Investment Committee**

The Investment Committee constituted by the Board performs the following functions:

- To invest surplus funds of the Company in all types of securities as defined in the Investment Policy.
- To execute necessary investment documents.
- To buy, sell, trade, hold, pledge in all types of securities
- To take any other necessary actions related to investment/ disinvestment
- To report to the Board about the investments/ disinvestments in securities at regular intervals.

#### **Composition, Meetings and Attendance**

The Investment Committee consists of 3 Members and the Chairman is a Non-Executive Director. During the financial year ended 31<sup>st</sup> March, 2014, four meetings were held on 27<sup>th</sup> May, 2013, 14<sup>th</sup> August, 2014, 14<sup>th</sup> November, 2013 & 27<sup>th</sup> January, 2014.

Name of the Members	Category	No. of Meetings attended
Mr. Manoj Singrodia	Chairman (Non-Executive Director)	4
Mr. Sunil Goyal	Member (Managing Director)	4
Mr. Deepak Ladha	Member (Executive Director)	4

## **4. GENERAL BODY MEETINGS**

### ***Annual General Meeting:***

The Venue, Date, Time and Special Resolutions of the Annual General Meeting held during the preceding three years are as follows:

#### **2012-13**

Venue: Hotel Mirage, International Airport Approach Road, Off Andheri Kurla Road, Marol, Andheri (East) Mumbai-400 059

Date and Time: 28<sup>th</sup> September, 2013 at 10.00 a.m.

Special Resolution passed: Nil

## REPORT ON CORPORATE GOVERNANCE

### 2011-12

Venue: Hotel Mirage, International Airport Approach Road, Off Andheri Kurla Road, Marol, Andheri (East), Mumbai-400 059

Date and Time: 29<sup>th</sup> September, 2012 at 10.00 a.m.

Special Resolution passed: NIL

### 20010-11

Venue: Hotel Mirage, International Airport Approach Road, Off Andheri Kurla Road, Marol, Andheri (East), Mumbai-400 059.

Date and Time: 24<sup>th</sup> September, 2011 at 10.00 a.m.

Special Resolutions passed:

- Appointment of Mr. Deepak Ladha as Executive Director of Company

## 5. DISCLOSURES

### **Materially significant related party transactions which may have potential conflict with the interests of the Company at large**

During the financial year ended 31<sup>st</sup> March, 2014, there were no transactions of material nature with the Directors or the Management or their Subsidiaries or Relatives that had potential conflict with the interest of the Company. The details of transactions with the related parties are tabled before the Audit Committee on a quarterly basis. The registers of contracts containing the transactions in which the Directors are interested are placed regularly before the Board for their approval/ signature.

### **Details of non-compliances, penalties, strictures imposed on the Company by Stock Exchange/ SEBI/Statutory Authorities on any matter related to Capital Markets during last three years:**

The Company has complied with the requirements of the Stock Exchanges/SEBI/and other Statutory Authorities on all matters related to Capital Markets during the last three years. No penalties or strictures have been imposed on the Company by the Stock Exchange or SEBI or any other statutory authorities.

### **Directors' disqualification under Section 274(1)(g) and any other provisions of Companies Act, 1956.**

None of the Directors are disqualified under Section 274(1)(g) of the Companies Act, 1956

### **Proceeds from IPO & Preferential Issues**

The Company discloses to the Audit Committee, the uses/applications of proceeds/funds raised from Preferential Allotment of Convertible Share Warrants as part of its quarterly review of financial results till the proceeds were used for the objects of the Issue.

### **Material Non-listed Subsidiary Companies as defined in Clause 49 of the Listing Agreement with the Stock Exchange**

M/s. Ladderup Corporate Advisory Private Limited

### **Reconciliation of Share Capital Audit**

As stipulated by Securities and Exchange Board of India (SEBI), a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report

## REPORT ON CORPORATE GOVERNANCE

thereon is submitted to Stock Exchanges and is also placed before the Board of Directors. No discrepancies were noticed during these audits.

### Adoption of Insider Trading Policy

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, while trading in the securities of the Company. The policy lays down procedures to be followed and disclosures to be made while dealing with shares of the Company and cautioning them of the consequences of violations. The Code of Conduct for Insider Trading is adopted by the Board and uploaded on the website of the Company.

### Adoption of Code of Conduct

The Board of Directors have approved and adopted a Code of Conduct for the Members of the Board and Senior Managerial Personnel of the Company. This Code of Conduct is posted on the website of the Company and the Members of the Board and Senior Management have affirmed the annual compliance of the Code.

#### Declaration as required under Clause 49 of the Listing Agreement

All Directors and Senior Managerial Personnel of the Company have affirmed compliance and adoption of the Code of Conduct for the Financial Year ended 31<sup>st</sup> March, 2014

**Sunil Goyal**

DIN: 00503570

Managing Director

Mumbai, 11<sup>th</sup> August, 2014

### Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of Clause 49 of the Listing Agreement

The Company is compliant with all the mandatory requirements of Clause 49 of the Listing Agreement. As far as the non-mandatory recommendations are concerned, the Board has complied with the following suggestions:

#### (i) Remuneration Committee

The Board has constituted a Committee under the nomenclature "Remuneration Committee", the details of which are provided in this Report under the section Board Committees.

#### (ii) Audit Qualification

The Company has taken steps towards regime of unqualified financial statement of the Company. There are no qualifications in the Company's financial statements for the year ended 31<sup>st</sup> March, 2014.

## 6. MEANS OF COMMUNICATION

The 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 Audited/ Unaudited Results are published in Financial Express/Business Standard, English daily and in Mumbai Lakshadweep, Marathi daily being the regional language and also displayed on the website of the Company [www.ladderup.com](http://www.ladderup.com) shortly after its submission to the Stock Exchange.

The Company's website is a comprehensive reference on Ladderup's vision, mission, policies, corporate governance, investor relation, updates and news. The section on "Investor Relations" on the website serves to inform the shareholders, by giving complete financial details, shareholding pattern, information relating to Stock Exchange, Registrars, and Share Transfer Agents among others.

## REPORT ON CORPORATE GOVERNANCE

### 7. GENERAL SHAREHOLDERS' INFORMATION

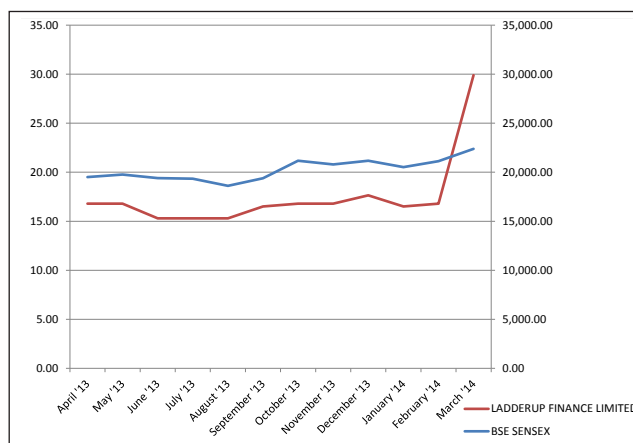
<b>7.1.</b>	<b>Annual General Meeting:</b>		
	Day, Date and Time	:	Saturday, 27 <sup>th</sup> September, 2014 at 4.00 p.m.
	Venue	:	Hotel Mirage, International Airport Approach Road, Marol, Andheri (East), Mumbai-400059
<b>7.2.</b>	<b>Financial Year 2014-15 – Board Meeting Calendar (Tentative):</b>		
	Results for first quarter ended June 30, 2014	:	11 <sup>th</sup> August, 2014
	Results for second quarter ending 30 <sup>th</sup> September, 2014	:	On or before 14 <sup>th</sup> November, 2014
	Results for third quarter ending 31 <sup>st</sup> December, 2014	:	On or before 14 <sup>th</sup> February, 2015
	Results for financial year ending 31 <sup>st</sup> March, 2015	:	On or before 29 <sup>th</sup> May, 2015.
<b>7.3.</b>	<b>Book Closure date:</b>	:	20 <sup>th</sup> September, 2014 to 27 <sup>th</sup> September, 2014 (Both days inclusive for the purpose of AGM and Dividend)
<b>7.4.</b>	<b>Listing of Equity Shares on Stock Exchange:</b>	:	Bombay Stock Exchange Limited
<b>7.5.</b>	<b>Stock Code:</b>	:	530577
<b>7.6.</b>	<b>Demat ISIN Number in NSDL and CDSL:</b>	:	INE 519D01015
<b>7.7.</b>	<b>Registrar and Share Transfer Agents:</b>	:	M/s. Sharex Dynamic (India) Private Limited
<b>7.8</b>	<b>Share Transfer System:</b>	:	Share Transfers and Share Certificates are processed and returned within 30 days from the date of receipt subject to the documents being valid and complete in all respects. A summary of transfers/transmission of securities of the Company from the Registrar and Transfer Agent is placed before every Shareholder's Grievance Committee Meeting.
<b>7.9</b>	<b>Plant Location:</b>	:	Since the Company is dealing in shares, stocks and other non-fund based activities, the information about Plant Location is not applicable.

## REPORT ON CORPORATE GOVERNANCE

### 7.10 The Market Price Data of the Company are as given below:

No.	Period	Bombay Stock Exchange	
		High (Rupees)	Low (Rupees)
1.	April-13	16.80	14.60
2.	May-13	16.80	14.60
3.	June-13	15.30	15.29
4.	July-13	15.30	15.29
5.	August-13	15.30	15.29
6.	September-13	16.50	16.00
7.	October-13	16.80	16.80
8.	November-13	16.80	16.80
9.	December-13	17.65	16.00
10.	January-14	16.50	13.55
11.	February-14	16.80	14.65
12.	March-14	29.90	17.20

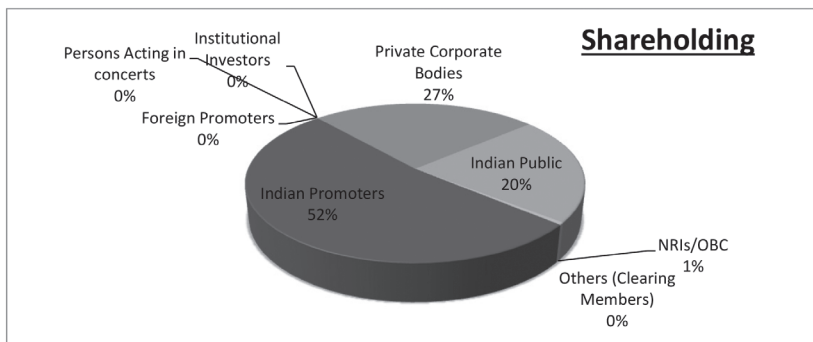
### 7.11. Share Price performance in comparison to broad-based indices – BSE Sensex during the year



### 7.12. Distribution of Shareholding as on 31<sup>st</sup> March, 2014

Distribution of Shares (Slab-Wise)	Shareholders		Share Amount	
	Nos.	% of Total Nos.	Amt. In Lacs	% of Total Amt.
Upto 5,000	434	62.09	9.30	0.72
5,001-10,000	109	15.59	8.88	0.69
10,001- 100,000	112	16.03	35.47	2.76
1,00,000 & Above	44	6.29	1,231.61	95.83
<b>Total</b>	<b>699</b>	<b>100.00</b>	<b>1,285.26</b>	<b>100.00</b>

## REPORT ON CORPORATE GOVERNANCE



### Shareholding Pattern as on 31<sup>st</sup> March, 2014:

Category	No. of Shares	% of Shares
Indian Promoters	67,24,450	52.320
Private Corporate Bodies	35,23,925	27.418
Indian Public	25,43,625	19.791
NRIs/OBC	60,600	0.471
	<b>1,28,52,600</b>	<b>100</b>

<b>7.13.</b>	<b>Address for Correspondence:</b>	
	<b>(i) Investors Correspondence:</b>	<b>: For Shares held in Physical Form</b>
		M/s. Sharex Dynamic (India) Private Limited. Unit 1, Luthra Industrial Premises, 1 <sup>st</sup> Floor, 44 – E. M Vasanti Marg, Andheri Kurla Road, Safed Pool, Andheri (East), Mumbai – 400 072
		<b>For Shares held in Demat Form</b>
		To the respective Depository Participants.
	<b>(ii) Any query on Annual Report:</b>	Mr. Deepak Ladha (Compliance Officer) Ladderup Finance Limited A-102, Hallmark Business Plaza, Opposite Gurunank Hospital Road, Bandra (East), Mumbai-400 051
	<b>(iii) E-mail ID for Investor Grievance</b>	investor@ladderup.com
	<b>(iv) Corporate Website::</b>	www.ladderup.com

Date : 11<sup>th</sup> August, 2014  
Place : Mumbai

**By Order of the Board**

Regd. Office : 102-A, 1<sup>st</sup> Floor, Hallmark Business Plaza,  
Gurunank Hospital Road,  
Bandra (East), Mumbai-400 051

Sunil Goyal  
DIN: 00503570  
(Managing Director)

## CORPORATE GOVERNANCE CERTIFICATE

The Members,

**Ladderup Finance Limited**

We have examined the compliance of the conditions of Corporate Governance by Ladderup Finance Limited ("the Company"), for the financial year ended 31<sup>st</sup> March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was carried out in accordance with the Guidance Note on Certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by The Institute of Chartered Accountants of India and was limited to procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the Management, we hereby certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement during the financial year 2013-14.

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 Khurdia Jain & Co.**  
*Chartered Accountants*  
Firm Regn. No120263W

**Sampat Khurdia**  
*(Partner)*  
Mem. No. 33615

Date: 11<sup>th</sup> August, 2014  
Place: Mumbai

## MD/CEO/CFO CERTIFICATION

The Board of Directors,  
**LADDERUP FINANCE LIMITED**  
102-A, Hallmark Business,  
Gurunanak Hospital Road,  
Bandra (East), Mumbai – 400 051

We hereby certify that for the year ended 31<sup>st</sup> March, 2014 on the basis of the review of the financial statements 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 ended, 31<sup>st</sup> March, 2014
  - b) There have been no significant changes in accounting policies during the year ended, 31<sup>st</sup> March, 2014
  - c) There have been no instances of significant fraud of which we are 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.

**FOR LADDERUP FINANCE LIMITED**

Date: 6<sup>th</sup> May, 2014  
Place : Mumbai

**Sunil Goyal**  
DIN: 00503570  
(Managing Director)



## INDEPENDENT AUDITOR'S REPORT

To,

The Members

Ladderup Finance Limited,

### Report on the Financial Statements

We have audited the accompanying Financial Statements of Ladderup Finance Limited, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2014 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

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

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

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

### Opinion

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

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

## INDEPENDENT AUDITOR'S REPORT

### Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the annexure a statement on the matters specified in the paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - (b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, Statement of Profit & Loss, and Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement, comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
  - (e) On the basis of written representations received from the directors as on 31<sup>st</sup> March, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2014, from being appointed as a director in terms of clause (g) of subsection (1) of section 274 (1)(g) of the Companies Act, 1956.

**For Khurdia Jain & Co.**  
Chartered Accountants  
Firm Regn. No.: 120263W

**Sampat Khurdia**  
**Partner**

Mem No : 33615

Date : 6<sup>th</sup> May, 2014

Place : Mumbai

## ANNEXURE TO AUDITORS REPORT

Annexure referred to in Paragraph 1 under the heading “Report on other legal & regulatory requirements” of the Auditors Report to the Members of Ladderup Finance Limited for the year ended 31<sup>st</sup> March, 2014.

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 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 in our opinion the interval of physical verification is reasonable. No material discrepancies have been noticed on such physical verification.
- c) The Company has disposed off certain fixed assets during the year which do not affect the going concern status of the Company.
- (ii) a) Since the Company does not have any inventory, the clauses 4 (ii) (a) (b) and (c) of the said Order are not applicable to the Company.
- (iii) a) The Company has granted unsecured loans (receivable on call basis) to three of its subsidiaries covered in the register maintained under section 301 of the Companies Act, 1956. The aggregate maximum amount outstanding during the year was ₹ 1,75,47,809/- and year end balance of such loans was ₹ 1,62,76,246/-.
- b) The rate of interest and other terms & 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 para iii (a) & (b) above, clauses 4 (iii) (c) and (d) of the said Order are not applicable.
- d) The Company has not taken unsecured loans from parties covered in the register maintained under section 301 of the Companies Act, 1956.
- e) In view of our comments in para (iii) (d) above, clause 4 (iii) (f) and (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 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 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 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 not defaulted in repayment of its dues to 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) 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 all the securities transactions 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) The Company has not obtained any 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 the parties and companies covered in the register maintained under Section 301 of the Act.
- (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

Firm Regn. No.: 120263W

**Sampat Khurdia**

**Partner**

Mem No : 33615

Date : 6<sup>th</sup> May, 2014

Place : Mumbai

**To,  
The Board of Directors,  
Ladderup Finance Limited**

As required by the “Non-Banking Financial Companies Auditor’s Report (Reserve Bank) Direction, 1998” *vide* notification No. DFC.117/DG (SPT)-98 dated January 2, 1998 issued by Reserve Bank of India (RBI), and based on the books and records verified by us and according to the information and explanation given to us during the course of our audit, we give hereunder our report on matters specified in paragraphs 3 of the said Directions.

1. The Company has applied for the registration as provided in the Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) and has received Certificate of Registration No.13.00063 dated 24<sup>th</sup> February, 1998 from Reserve Bank of India, Department of Non-Banking Supervision, Mumbai Regional Office.
2. The Board of Directors in their meeting held on **6<sup>th</sup> May, 2014** has passed a resolution for non-acceptance of any public deposit without prior approval of Reserve Bank of India in writing.
3. As per the information and explanation given to us and as appears from the books of account of the Company, Company has not accepted any deposit from the public during the year ended on 31<sup>st</sup> March, 2014.
4. In our opinion and as per the information and explanation given to us the Company has complied with prudential norms relating to income recognition, accounting standard, asset classification, and provisioning of bad and doubtful debt as applicable to it for the year ended on 31<sup>st</sup> March, 2014.

**For Khurdia Jain & Co.**  
Chartered Accountants  
Firm Regn. No.: 120263W

**Sampat Khurdia**  
**Partner**

Mem No : 33615

Date : 6<sup>th</sup> May, 2014

Place : Mumbai

# BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2014

(Amount in ₹)

Particulars	Note Nos.	As at 31.03.2014	As at 31.03.2013
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	128,526,000	128,526,000
Reserves and Surplus	3	207,340,100	191,401,394
		<b>335,866,100</b>	<b>319,927,394</b>
<b>Non-Current Liabilities</b>			
Long-term Borrowings	4	—	—
Deferred Tax Liabilities (Net)	5	—	54,937
Long-term Provisions	6	4,656	—
		<b>4,656</b>	<b>54,937</b>
<b>Current Liabilities</b>			
Short-term Borrowings	7	5,036,986	—
Trade Payables	8	70,800	30,938
Other Current Liabilities	9	378,180	517,094
Short-term Provisions	10	12,086,094	10,690,228
		<b>17,572,060</b>	<b>11,238,260</b>
<b>Total</b>		<b>353,442,816</b>	<b>331,220,591</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets	11		
- Tangible Assets		2,557,594	3,400,657
		<b>2,557,594</b>	<b>3,400,657</b>
Non-current Investments	12	215,800,490	209,951,693
Deferred Tax Assets (Net)	5	32,702	—
Long-term Loans and Advances	13	35,953,440	11,451,430
		<b>254,344,226</b>	<b>224,803,780</b>
<b>Current Assets</b>			
Current Investments	14	2,021,712	12,711,532
Cash and Cash Equivalents	15	838,185	484,795
Short-term Loans and Advances	16	96,238,693	93,220,484
		<b>99,098,590</b>	<b>106,416,811</b>
<b>Total</b>		<b>353,442,816</b>	<b>331,220,591</b>
Significant Accounting Policies	1		
Accompanying Notes to Accounts	22		

**In terms of our Report of even date**

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

**For and on behalf of the Board of Directors**

**Sunil Goyal**  
*Managing Director*

**Deepak Ladha**  
*Executive Director*

**Sampat Khurdia**  
*Partner*  
**Membership No. 33615**

**Harsha Saxena**  
*Executive Director*

**Tulsi Daryanani**  
*Company Secretary*

Place : Mumbai  
Date : 6<sup>th</sup> May, 2014

Place : Mumbai  
Date : 6<sup>th</sup> May, 2014

# STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

(Amount in ₹)

Particulars	Note Nos.	Year Ended 31.03.2014	Year Ended 31.03.2013
<b>REVENUE</b>			
Revenue from Operations	17	26,732,165	30,713,432
<b>TOTAL REVENUE</b>		<b>26,732,165</b>	<b>30,713,432</b>
<b>EXPENSES</b>			
Employee Benefit Expenses	18	366,110	—
Finance Costs	19	154,573	29,459
Depreciation and Amortization Expense	11	244,306	254,826
Other Expenses	20	1,520,822	854,091
<b>Total</b>		<b>2,285,811</b>	<b>1,138,376</b>
<b>Profit Before Tax</b>		<b>24,446,354</b>	<b>29,575,056</b>
<b>Less : Tax Expenses</b>			
Current Tax		4,900,000	4,000,000
Minimum Alternative Tax Credit Entitlement		(3,804,295)	—
Deferred Tax	5	(87,639)	17,077
Taxation of Earlier Years		(41,728)	—
<b>Profit for the Year</b>		<b>23,480,016</b>	<b>25,557,979</b>
Earnings Per Equity Share:	21		
(Nominal value of ₹ 10 each)			
- Basic		1.83	2.04
- Diluted		1.83	2.04
Significant Accounting Policies	1		
Accompanying Notes to Accounts	22		

In terms of our Report of even date

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

**For and on behalf of the Board of Directors**

**Sunil Goyal**  
Managing Director

**Deepak Ladha**  
Executive Director

**Sampat Khurdia**  
Partner  
Membership No. 33615

**Harsha Saksena**  
Executive Director

**Tulsi Daryanani**  
Company Secretary

Date : 6<sup>th</sup> May, 2014  
Place : Mumbai

Place : Mumbai  
Date : 6<sup>th</sup> May, 2014

# CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

(Amount in ₹)

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
<b>A. Cash Flow from Operating Activities</b>		
Profit before Tax	24,446,354	29,575,056
Adjustments for:		
Depreciation on Fixed assets	244,306	254,826
Loss on Sale of Fixed Assets	500,900	—
Interest	144,695	26,860
<b>Operating Profit Before Working Capital Changes</b>	<b>25,336,255</b>	<b>29,856,742</b>
Adjustments for :		
(Increase) / Decrease in Short Term Loans and Advances	(3,018,210)	(26,358,238)
(Increase) / Decrease in Long Term Loans and Advances	(20,697,716)	—
Increase / (Decrease) in Trade Payable	39,862	(8,032)
Increase / (Decrease) in Other Current Liabilities	(138,914)	164,835
Increase / (Decrease) in Short Term Provisions	10,851	—
Increase / (Decrease) in Long Term Provisions	4,656	—
(Increase) / Decrease in Non- Current Investments	(5,848,798)	(13,769,715)
(Increase) / Decrease in Current Investments	10,689,820	(10,020,331)
Cash Generated from Operations	6,377,806	(20,134,739)
Income Tax Paid	(3,473,256)	(1,876,330)
<b>Net cash flow from/(used in) operating activities</b>	<b>(A) 2,904,550</b>	<b>(22,011,069)</b>
<b>B. Cash Flow from Investing Activities</b>		
Sales of Fixed Assets	75,000	—
Share Application Money	—	11,000,000
<b>Net Cash Flow Used in Investing Activities</b>	<b>(B) 75,000</b>	<b>11,000,000</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from Issue of Shares Including Premium	—	150,000,000
Proceeds/(Repayment) of Long Term Borrowings	—	(144,029)
Proceeds/(Repayment) of Short Term Borrowings	5,036,986	—
Issue of Share Warrants	—	(129,750,000)
Interest	(144,695)	(26,860)
Dividend and Taxes Paid thereon	(7,518,450)	(9,650,717)
<b>Net Cash Flow from Financing Activities</b>	<b>(C) (2,626,160)</b>	<b>10,428,394</b>
<b>Net Increase/(Decrease) in Cash and Cash Equivalents</b>	<b>(A+B+C) 353,390</b>	<b>(582,675)</b>
<b>Add : Opening Cash and Cash Equivalents</b>	<b>484,795</b>	<b>1,067,470</b>
<b>Closing Cash and Cash Equivalents</b>	<b>838,185</b>	<b>484,795</b>



## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

### Notes:

Cash and Cash Equivalents at the end of the year consists of Cash in Hand and Balances with Banks are as follows :

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
Cash in Hand	40,078	40,078
Bank Balances	798,107	444,717
- In Current Accounts	<b>838,185</b>	<b>484,795</b>

### In terms of our Report of even date

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

**For and on behalf of the Board of Directors**

**Sunil Goyal**  
*Managing Director*

**Deepak Ladha**  
*Executive Director*

**Sampat Khurdia**  
*Partner*  
**Membership No. 33615**

**Harsha Saxena**  
*Executive Director*

**Tulsi Daryanani**  
*Company Secretary*

Date : 6<sup>th</sup> May, 2014  
Place : Mumbai

Date : 6<sup>th</sup> May, 2014  
Place : Mumbai

## ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

### Note 1 : Significant Accounting Policies

#### A 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 Companies (Accounting Standard), Rules, 2006. The Company follows mercantile system of accounting and recognises Income & Expenditure on accrual basis to the extent measurable and where there is certainty of ultimate realisation in respect of incomes. Accounting policies not specifically referred to otherwise, are consistent and in consonance with the generally accepted accounting principles.

#### B Use of Estimates

The preparation of financial statements are in conformity with generally accepted accounting principles which 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 and estimated results are recognised in the period in which the results are materialised.

#### C Revenue Recognition

- i) Profit or Loss from dealing in shares and securities are recognised on settlement dates.
- ii) Interest is recognised on a time proportion basis taking in to account the amount outstanding and the rate applicable.
- ii) Dividend on shares is being considered when the right to receive payment is established.
- iii) In respect of other heads of income, the Company follows the practice of accounting on accrual basis.

#### D Fixed Assets

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

#### E Depreciation

- i) 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.
- ii) Depreciation on revalued assets to the extent of revaluation is charged from Revaluation Reserve.

#### F 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 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.

## ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

### **G 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 value whichever is lower.

### **H Accounting for Taxes of 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 recognised 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 recognised only to the extent there is reasonable certainty that the assets can be realised in the future. Deferred Tax Assets are reviewed as at each Balance Sheet date.

### **I Provisions and Contingent Liabilities**

- i) 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.
- ii) Contingent Liabilities under various fiscal laws includes those in respect of which the Company/department is in appeal.
- iii) Contingent Liabilities if any, are disclosed by way of notes.

### **J Prior Period Items**

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

### **K Employee Benefits**

Retirement benefits in the form of Gratuity are considered as defined benefit obligations and are provided on the basis of the actuarial valuation, using the projected unit credit method as at the date of the Balance Sheet.

### **L Inventories**

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

# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

## Notes 2 : Share Capital

### a. Details of Authorised, Issued and Subscribed Share Capital

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
<b>Authorised Capital</b>		
15,000,000 Equity Shares of ₹ 10/- each	150,000,000	150,000,000
<b>Issued, Subscribed and Paid up Capital</b>		
12,852,600 Equity Shares of ₹ 10/- each, fully paid-up	128,526,000	128,526,000
	<b>128,526,000</b>	<b>128,526,000</b>

### b. Terms & Conditions

The Company has only one class of Equity Shares having a par value of ₹ 10 per Share. Each holder of Equity Share is entitled to one vote per Share.

In the event of liquidation of the Company, the holder of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

### c. Shareholders having more than 5% shareholding

(Amount in ₹)

Name of the Shareholders	As at 31.03.2014		As at 31.03.2013	
	No. of Equity Shares held	Percentage	No. of Equity Share held	Percentage
Sonu Portfolio Services Pvt Ltd	1,640,850	12.77%	1,640,850	12.77%
Quiet Enterprises LLP				
(P.Y. Quiet Investments Pvt Ltd)	1,779,600	13.85%	1,779,600	13.85%
Ladderup Securities Pvt Ltd	1,905,900	14.83%	1,905,900	14.83%
Deepak Ghanshyam Ladha (held on behalf on Shikha Financial Services)	642,880	5.00%	642,880	5.00%
Jupiter Enterprises Ltd.	840,000	6.54%	—	—
Nabhshika Financial Advisory Pvt Ltd	689,702	5.37%	—	—
Indianivesh Management Consultants Pvt Ltd	—	—	1,500,000	11.67%

### d. Reconciliation of Number of Shares

(Amount in ₹)

Particulars	As at 31.03.2014		As at 31.03.2013	
	Equity Shares		Equity Shares	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	12,852,600	128,526,000	7,852,600	78,526,000
Shares issued during the year	—	—	5,000,000	50,000,000
Shares bought back during the year	—	—	—	—
Shares outstanding at the end of the year	12,852,600	128,526,000	12,852,600	128,526,000

# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

## Note 3 : Reserves and Surplus

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
<b>a. Capital Reserve</b>		
Opening Balance	300,000	300,000
Closing Balance	300,000	300,000
<b>b. Securities Premium Account</b>		
Opening Balance	138,500,000	38,500,000
Add : Additions during the year	—	100,000,000
Closing Balance	138,500,000	138,500,000
<b>c. Revaluation Reserve</b>		
Opening balance	973,759	996,619
Less : Written back in current year	22,860	22,860
Closing Balance	950,899	973,759
<b>d. Special Reserve under Section 45 IC of RBI Act</b>		
Opening Balance	15,275,377	10,163,782
Add : Transfer during the year	4,696,003	5,111,595
Closing Balance	19,971,380	15,275,377
<b>e. General Reserve</b>		
Opening Balance	250,000	250,000
Closing Balance	250,000	250,000
<b>f. Surplus in the Statement of Profit and Loss</b>		
Opening Balance	36,102,258	23,174,324
Add : Net Profit for the year	23,480,016	25,557,979
Less : Proposed Dividends	6,426,300	6,426,300
Less : Tax on Proposed Dividends	1,092,150	1,092,150
Less : Transfer to Special Reserve	4,696,003	5,111,595
Closing Balance	47,367,821	36,102,258
<b>Total</b>	<b>207,340,100</b>	<b>191,401,394</b>

# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

## Note 4 : Long-term Borrowings

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
<b>Secured</b>		
Vehicle Loan	—	149,126
Less: Current maturities of Long term Debt	—	149,126
<b>Total</b>	<b>—</b>	<b>—</b>

### Other disclosures pursuant to Long term Borrowings

Above vehicle loan was secured by hypothecation of vehicle financed. The loan carried a rate of interest @ 8% p.a. and repayable in 35 equal instalments starting from October, 2010. The loan was fully paid in current financial year.

## Note 5 : Deferred Tax Liabilities (Net)

The major components of Deferred Tax Liability / (Asset) as recognised in the Financial Statement are as follows:

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
<b>Deferred Tax Liability</b>		
<b>Fixed Assets</b> : Impact of difference between Tax Depreciation and Depreciation charged for the Financial Reporting	—	54,937
<b>Deferred Tax Asset</b>		
<b>Fixed Assets</b> : Impact of difference between Tax Depreciation and Depreciation charged for the Financial Reporting	27,671	—
<b>Other:</b> Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis.	5,031	—
<b>Net</b>	<b>(32,702)</b>	<b>54,937</b>

## Note 6 : Long-term Provisions

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
<b>Provision for Employee Benefits</b>		
Gratuity	4,656	—
<b>Total</b>	<b>4,656</b>	<b>—</b>

# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

## Note 7 : Short-term Borrowings

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
Loans & Advances from Others (Unsecured)	5,036,986	—
<b>Total</b>	<b>5,036,986</b>	<b>—</b>

## Note 8 : Trade Payables

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
Trade Payables*		
Due to Micro, Small and Medium Enterprises		
Other than Micro, Small and Medium Enterprises	70,800	30,938
<b>Total</b>	<b>70,800</b>	<b>30,938</b>

\*As on 31-03-2014, there are no amounts due to the suppliers covered under Micro, Small and Medium Enterprises Development Act, 2006.

## Note 9 : Other Current Liabilities

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
Current Maturities of Long- term Debt	—	149,126
Duties & Taxes Payable	14,201	11,824
Unclaimed Dividend	362,979	355,144
Other Current Liabilities	1,000	1,000
<b>Total</b>	<b>378,180</b>	<b>517,094</b>

## Note 10 : Short-term Provisions

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
<b>Provision for Employee Benefits</b>		
Bonus	10,840	—
Gratuity	11	—
<b>Others</b>		
Proposed Dividend	6,426,300	6,426,300
Tax on Proposed Dividend	1,092,150	1,092,150
Income Tax Provisions (Net)	4,556,793	3,171,778
<b>Total</b>	<b>12,086,094</b>	<b>10,690,228</b>

**ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31<sup>ST</sup> MARCH, 2014**

**Note 11 : Fixed Assets**

(Amount in ₹)

Particulars	Gross Block			Accumulated Depreciation				Net Block	
	As at 01.04.2013	Deletions during the year	As at 31.03.2014	Up to 31.03.2013	Provided for the year	Adjustments due to revaluations	Adjustments on disposals	Up to 31.03.2014	As at 31.03.2014 31.03.2013
<b>Tangible Assets</b>									
Premises	2,078,750	—	2,078,750	639,482	11,024	22,860	—	673,366	1,405,384 1,439,268
Furniture & Fixtures	748,433	748,433	—	381,512	41,016	—	(422,528)	—	— 366,921
Vehicles	1,741,438	—	1,741,438	423,791	165,437	—	—	589,228	1,152,210 1,317,647
Office Equipments	352,850	352,850	—	270,663	14,510	—	(285,173)	—	— 82,187
Computers	1,187,485	1,187,485	—	1,187,485	—	—	(1,187,485)	—	— —
Air Conditioners	299,552	299,552	—	104,918	12,319	—	(117,237)	—	— 194,634
<b>Total</b>	<b>6,408,508</b>	<b>2,588,320</b>	<b>3,820,188</b>	<b>3,007,851</b>	<b>244,306</b>	<b>22,860</b>	<b>(2,012,423)</b>	<b>1,262,594</b>	<b>2,557,594 3,400,657</b>
<b>Previous Year</b>	<b>6,408,508</b>	<b>—</b>	<b>6,408,508</b>	<b>2,730,164</b>	<b>254,826</b>	<b>22,860</b>	<b>—</b>	<b>3,007,851</b>	<b>3,400,657 3,678,344</b>



**Note 12 - NON-CURRENT INVESTMENTS**

(Valued at cost, unless stated otherwise)

(Amount in ₹)

Name of the Body Corporate	No. of Shares/Units		Partly Paid/ Fully Paid	Amount	
	31.03.2014	31.03.2013		31.03.2014	31.03.2013
<b>I. Trade Investments</b>					
<b>Investment in Equity Instruments – Unquoted, Subsidiaries</b>					
Ladderup Corporate Advisory Pvt. Ltd.	290,000	290,000	Fully Paid	20,000,000	20,000,000
Ladderup Wealth Management Pvt. Ltd.	134,000	134,000	Fully Paid	5,360,000	5,360,000
Ladderup Insurance Broking Pvt. Ltd.	425,000	425,000	Fully Paid	5,291,250	5,291,250
	<b>849,000</b>	<b>849,000</b>	<b>(A)</b>	<b>30,651,250</b>	<b>30,651,250</b>
<b>II. Non Trade Investments</b>					
<b>Investment in Equity Instruments – Quoted, Others</b>					
Aditya Birla Nuvo Ltd.	—	3,000	Fully Paid	—	3,294,970
Asahi Songwon Colors Ltd.	37,685	34,000	Fully Paid	3,245,502	3,026,485
Asian Hotels (East) Ltd.	—	7,343	Fully Paid	—	2,546,996
Atul Ltd.	—	1,000	Fully Paid	—	175,475
Ahluwalia Contracts (India) Ltd	30,000	—	Fully Paid	987,083	—
APL Apollo Tubes Ltd	15,000	—	Fully Paid	2,207,000	—
BASF India Ltd	500	—	Fully Paid	390,140	—
Capman Financials Ltd.	50,000	50,000	Fully Paid	500,000	500,000
Dhanuka Agritech Ltd.	8,000	20,000	Fully Paid	1,045,632	1,913,878
DIC India Ltd.	—	10,000	Fully Paid	—	3,139,595
Grauer & Weil India Ltd.	480,000	525,850	Fully Paid	3,273,151	3,545,911
Hester Pharma (Biosciences) Ltd.	114,004	41,698	Fully Paid	12,105,464	4,397,665
India Nivesh Ltd.	1,250,000	1,250,000	Fully Paid	50,000,000	50,000,000
IRB Infrastructure Ltd.	—	16,000	Fully Paid	—	2,026,835
Jyoti Structures Ltd.	—	52,000	Fully Paid	—	2,154,284
Kisan Mouldings Ltd.	125,000	134,815	Fully Paid	4,125,000	4,445,706
Kirloskar Oil Engines Ltd	9,000	—	Fully Paid	1,408,738	—
LIC Housing Finance Ltd.	25,000	22,000	Fully Paid	5,566,674	4,929,862
L & T Ltd.	5,000	3,000	Fully Paid	5,579,754	4,950,256
Lupin Ltd.	2,500	7,500	Fully Paid	1,034,801	2,807,390
Mahindra & Mahindra Ltd.	2,000	2,000	Fully Paid	885,252	885,252
Marksans Pharma Ltd	30,000	—	Fully Paid	607,738	—
Nesco Ltd.	—	5,000	Fully Paid	—	2,307,480
Future Retail Limited	—	2,500	Fully Paid	—	687,887
Paper Products Ltd	8,000	—	Fully Paid	576,785	—
Pantaloon Fashion Retail Ltd	500	—	Fully Paid	—	—
Ranbaxy Laboratories Ltd.	—	3,200	Fully Paid	—	1,669,580
Repro India Ltd.	51,410	18,000	Fully Paid	8,890,015	3,904,838
RSWM Ltd.	—	5,375	Fully Paid	—	606,831
Rossell India Ltd.	13,251	—	Fully Paid	636,113	—
Sun Pharma Advanced Research Company Ltd.	10,000	—	Fully Paid	1,597,801	—
TCS Ltd.	—	800	Fully Paid	—	485,824
Tata Motor (DVR)	—	5,000	Fully Paid	—	641,776
Tilak Nagar Industries Ltd.	20,000	—	Fully Paid	1,159,148	—

# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

(Amount in ₹)

Name of the Body Corporate	No. of Shares/Units		Partly Paid/ Fully Paid	Amount	
	31.03.2014	31.03.2013		31.03.2014	31.03.2013
Vaibhav Gems Ltd.	44,800	136,032	Fully Paid	4,967,378	7,681,510
Veto Switchgears & Cables Ltd.	—	33,000	Fully Paid	—	1,650,000
West Coast Paper Mills Ltd.	—	23,500	Fully Paid	—	2,725,776
	<b>2,331,650</b>	<b>2,412,613</b>	<b>(B)</b>	<b>110,789,169</b>	<b>117,102,062</b>
Investment in Equity Instruments -Unquoted, Others					
Invent Bio-Media Pvt. Ltd.	100,000	100,000	Fully Paid	4,000,000	4,000,000
Algorhythm Tech Pvt. Ltd.	15	15	Fully Paid	5,625	5,625
Speakwell Enterprises Pvt. Ltd.	15	15	Fully Paid	15,060	15,060
JIR Technologies Pvt. Ltd.	11,612	11,612	Fully Paid	7,000,000	7,000,000
Jumboking Foods Pvt. Ltd.	98,901	98,901	Fully Paid	8,855,155	8,855,155
Mobile Magic Pvt. Ltd.	137,894	137,894	Fully Paid	16,000,000	16,000,000
Annapurna Pet Pvt. Ltd.	151,680	69,800	Fully Paid	15,168,000	6,980,000
Parag Milk & Milk Products Pvt. Ltd.	200,000	200,000	Fully Paid	12,500,000	12,500,000
Lotus Spaces Pvt. Ltd.	100,000	100,000	Fully Paid	2,000,000	2,000,000
Tops Security Ltd.	40,900	40,900	Fully Paid	2,863,000	2,863,000
Gini & Jony Ltd.	454,136	—	Partly Paid	3,973,690	—
	<b>1,295,153</b>	<b>759,137</b>	<b>(C)</b>	<b>72,380,530</b>	<b>60,218,840</b>
<b>Total Investment in Equity Instruments</b>	<b>4,475,803</b>	<b>4,020,750</b>	<b>(A)+(B)+(C)</b>	<b>213,820,949</b>	<b>207,972,152</b>
Investments in Preference Shares					
Algorhythm Tech Pvt. Ltd.	1,319	1,319	Fully Paid	494,625	494,625
Speakwell Enterprises Pvt. Ltd.	1,479	1,479	Fully Paid	1,484,916	1,484,916
	<b>2,798</b>	<b>2,798</b>		<b>1,979,541</b>	<b>1,979,541</b>
<b>Total</b>	<b>4,478,601</b>	<b>4,023,548</b>		<b>215,800,490</b>	<b>209,951,693</b>

Particulars	As at 31.03.2014	As at 31.03.2013
Aggregate Market Value of Quoted Investments	137,019,756	124,230,501
Aggregate Book Value of Quoted Investments	110,789,169	117,102,062
Aggregate Book Value of Unquoted Investments	105,011,321	92,849,631

## Note 13 : Long-term Loans and Advances

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
<b>Security Deposits</b>		
— To Related Parties	—	2,035,000
	—	2,035,000
<b>Loans and Advances</b>		
— To Others	23,882,715	1,150,000
Advance Tax & TDS	1,141,430	1,141,430
Minimum Alternative Tax Credit Entitlement	3,804,295	—
<b>Share Application Money</b>		
— To Others	7,125,000	7,125,000
	35,953,440	9,416,430
<b>Total</b>	<b>35,953,440</b>	<b>11,451,430</b>

# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

Loans & Advances to Related Parties includes :

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
<b>Key Management Personnel</b>		
Sunil Goyal	—	300,000
Manoj Singrodia	—	500,000
<b>Relatives of Key Management Personnel</b>		
Santosh Singrodia	—	935,000
Usha Goyal	—	300,000
<b>Total</b>	—	<b>2,035,000</b>

**Note 14 : Current Investments**

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
<b>(Valued at lower of cost or fair value, unless stated otherwise)</b>		
<b>Unquoted :</b>		
<b>Investments in Mutual Funds</b>	—	—
2,019 (PY 12,694) units of Reliance Money Manager Fund Instalment (Daily Dividend)	2,021,712	12,711,532
<b>Total</b>	<b>2,021,712</b>	<b>12,711,532</b>

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
Aggregate NAV of Unquoted Investments	2,023,093	12,720,779
Aggregate Book Value of Unquoted Investments	2,021,712	12,711,532

**Note 15 : Cash and Cash Equivalents**

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
Balances with banks		
- Current account	435,128	89,573
Cash on hand	40,078	40,078
<b>Other Bank Balance</b>		
Unclaimed Dividend	362,979	355,144
<b>Total</b>	<b>838,185</b>	<b>484,795</b>

# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

## Note 16 : Short-term Loans and Advances

(Unsecured, Considered Good)

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
<b>Loans and Advances</b>		
— To Related Parties	20,728,168	6,922,919
— To Others	75,490,892	86,290,667
	<b>96,219,060</b>	<b>93,213,586</b>
<b>Other Loans and Advances</b>		
Prepaid Expenses	19,633	6,898
<b>Total</b>	<b>96,238,693</b>	<b>93,220,484</b>

## Loans & Advances to Related Parties includes:

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
<b>Subsidiary Companies</b>		
Ladderup Corporate Advisory Pvt. Ltd.	14,643,141	—
Ladderup Wealth Management Pvt. Ltd.	1,028,164	2,164,248
Ladderup Insurance Broking Pvt. Ltd.	604,941	740,420
<b>Other Related Party</b>		
New India Spinning Company	4,451,922	4,018,251
	<b>20,728,168</b>	<b>6,922,919</b>

## Note 17 : Revenue from Operations

(Amount in ₹)

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
Interest	3,736,967	8,679,814
Net Gain from Sale of Shares & Securities	20,714,689	10,553,126
<b>Dividends</b>		
From Subsidiary Company	—	9,570,000
From Others	2,280,509	1,910,492
<b>Total</b>	<b>26,732,165</b>	<b>30,713,432</b>

# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

## Note 18 : Employee Benefit Expenses

(Amount in ₹)

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
Salaries, Bonus and Incentives	365,924	—
Staff Welfare Expenses	186	—
<b>Total</b>	<b>366,110</b>	<b>—</b>

## Note 19 : Finance Costs

(Amount in ₹)

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
Bank Charges	9,878	2,599
Interest Expenses	144,695	26,860
<b>Total</b>	<b>154,573</b>	<b>29,459</b>

## Note 20 : Other Expenses

(Amount in ₹)

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
Communication Costs	19,700	5,211
Insurance	15,858	16,593
Printing & Stationery	55,257	43,575
Travelling & Conveyance	10,608	18,291
Stipend	281,027	260,082
Professional Fees	4,433	14,750
Advertisement	83,868	82,742
Director Sitting Fees	60,000	60,000
Payment to Auditors	33,708	32,000
Loss on Disposal of Fixed Assets	500,900	—
Securities Transaction Tax	97,144	108,601
Miscellaneous Expenses	358,319	212,246
<b>Total</b>	<b>1,520,822</b>	<b>854,091</b>

**ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31<sup>ST</sup> MARCH, 2014**

**Payment to Auditors includes**

(Amount in ₹)

<b>Particulars</b>	<b>Year Ended 31.03.2014</b>	<b>Year Ended 31.03.2013</b>
Audit Fees	22,500	22,500
Tax Audit Fees	7,500	7,500
Other Services	—	2,000
Service Tax	3,708	—
<b>Total</b>	<b>33,708</b>	<b>32,000</b>

**Note 21 : Earnings Per Equity Share**

(Amount in ₹)

<b>Particulars</b>	<b>Year Ended 31.03.2014</b>	<b>Year Ended 31.03.2013</b>
<b>Basic Earnings Per Share</b>		
Profit Attributable to Equity Shareholders	23,480,016	25,557,979
Weighted average number of equity shares	12,852,600	12,537,532
<b>Basic Earnings per share</b>	1.83	2.04
<b>Face value per share</b>	10	10
<b>Dilutive Earnings Per Share</b>		
Profit after adjusting Interest on Potential Equity Shares	23,480,016	25,557,979
Weighted Average Number of Equity Share after considering Potential Equity Shares	12,852,600	12,537,532
<b>Dilutive Earnings Per Share</b>	1.83	2.04
<b>Face Value Per Share</b>	10	10

# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

## Note 22 : Accompanying Notes to Accounts

- A) Contingent Liabilities & Capital Commitment:** Uncalled liability on partly paid-up Equity Shares ₹ 1,19,21,070 (P.Y. Nil)
- B)** In the opinion of the Board the Current Assets, Loans & Advances are realisable in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of amount reasonably necessary.
- C) Disclosure pursuant to Accounting Standard – 15 ‘Employee Benefits’**  
**Actuarial Assumptions:** (Amount in ₹)

Services Rendered	Year Ended 31.03.2014	Year Ended 31.03.2013
Salary Growth *	6.00%	N.A.
Discount Rate	9.10%	N.A.
Withdrawal Rate	5.00%	N.A.

\*The estimates of future salary increases, considered in a actuarial valuation, takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

- (i) Changes in the Present Value of Defined Benefit Obligation representing reconciliation of opening and closing balances thereof: (Amount in ₹)

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
Present Value of Obligation as at the beginning of the year:	—	N.A.
Interest Cost	—	N.A.
Current Service Cost	4,667	N.A.
Benefits Paid	—	N.A.
Actuarial (Gain) / Loss on Obligation	—	N.A.
Closing Present Value of Obligation	4,667	N.A.

- (ii) Actuarial Gain/ Loss Recognised in the Statement of Profit and Loss: (Amount in ₹)

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
Actuarial Gain/ (Loss) for the year Obligation	—	N.A.
Total (Gain)/ Loss for the year	4,667	N.A.
Actuarial (Gain)/ Loss recognised during the year	—	N.A.

- (iii) The Amounts Recognised in the Balance Sheet are as follows: (Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
Present Value of Obligation as at the end of the year	4,667	N.A.
Funded Value of Assets (Unfunded)	—	N.A.
Net Assets / (Liability) Recognised in Balance Sheet	(4,667)	N.A.

## ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

(iv) The Amounts Recognised in the Statement of Profit and Loss are as follows: (Amount in ₹)

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
Current Service Cost	4,667	N.A.
Past Service Cost	—	N.A.
Interest Cost	—	N.A.
Expected Return on Plan Assets	—	N.A.
Net Actuarial (Gain) / Loss Recognized in the year	—	N.A.
Expenses Recognised in the Statement of Profit and Loss	4,667	N.A.

### D) Segment Reporting

#### a. Basis of Preparation

In accordance with the requirements of Accounting Standard – 17 “Segment Reporting”, issued by Companies (Accounting Standards) Rules, 2006 the Company’s business activities can be classified into two segment namely Investment & Trading in Shares & Securities and Finance Activities. The information about all the segments are given below.

#### b. Information about Primary Segments –Business Segments:

i. Segment Information (Amount in ₹)

Particulars	Year Ended 31.03.2014		Year Ended 31.03.2013	
Segment Revenue				
Investment & Trading Activities	22,995,198		22,033,618	
Finance Activities	3,736,967		8,679,814	
<b>Total</b>		<b>26,732,165</b>		<b>30,713,432</b>
Segment Results				
Investment & Trading Activities	22,860,675		21,900,665	
Finance Activities	3,736,967		8,679,814	
<b>Total</b>		<b>26,597,642</b>		<b>30,580,479</b>
Less: Unallocated Corporate Expenses		2,151,288		1,005,423
<b>Profit before Tax</b>		<b>24,446,354</b>		<b>29,575,056</b>
Less : Tax Expense		966,338		4,017,077
<b>Net Profit</b>		<b>23,480,016</b>		<b>25,557,979</b>



# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

**Note :**

Fixed Assets and Other Assets used in the Company's Operations or Liabilities contracted have not been identified to any of the Reportable Segments, as the Assets are used interchangeably between Segments. Hence, it is not practicable to provide Segment Disclosures relating to total Assets and Liabilities.

**E) Related Party Disclosures**

**a. List of Related Parties**

Name of the Party	Relationship
Mr. Sunil Goyal	Managing Director
Mr. Manoj Singrodia	Director
Mr. Deepak Ladha	Executive Director
Mr. Harsha Saxena (w.e.f. 14 <sup>th</sup> August, 2013)	Executive Director
Mrs. Usha Goyal	Relative of Key Management Personnel
Mrs. Santosh Singrodia	Relative of Key Management Personnel
Ladderup Corporate Advisory Pvt. Ltd.	Subsidiary Company
Ladderup Wealth Management Pvt. Ltd.	Subsidiary Company
Ladderup Insurance Broking Pvt. Ltd.	Subsidiary Company
Quiet Enterprises LLP (P.Y. Quiet Investments Pvt. Ltd.) Ladderup Securities Pvt. Ltd. Sonu Portfolio Services Pvt. Ltd. New India Spinning Company	Enterprises over which Key Management Personnel or their relatives are able to exercise significant influence

**b. Transactions with Related Parties**

(Amount in ₹)

Name of Party	Nature of Transaction	Year Ended 31.03.2014	Year Ended 31.03.2013
Ladderup Corporate Advisory Pvt. Ltd.	Loan Granted	20,196,000	500,000
	Purchase of Shares	191,850	1,604,250
	Repayment of Loan Given	5,904,333	3,945
	Interest Income	543,324	3,945
	Dividend Received	—	9,570,000
Ladderup Wealth Management Pvt. Ltd.	Loan Granted	1,350,000	2,300,000
	Repayment of Loan Given	2,595,916	2,539,578
	Interest Income	109,832	395,781
Ladderup Insurance Broking Pvt. Ltd.	Loan Granted	100,000	900,000
	Repayment of Loan Given	307,168	204,491
	Interest Income	71,689	44,911

**ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31<sup>ST</sup> MARCH, 2014**

(Amount in ₹)

Name of Party	Nature of Transaction	Year ended 31.03.2014	Year ended 31.03.2013
Mr. Manoj Singrodia	Sale of Fixed Assets	37,500	—
	Deposit Received Back	500,000	—
Mrs. Santosh Singrodia	Sale of Fixed Assets	37,500	—
	Deposit Received Back	935,000	—
Mr. Sunil Goyal	Deposit Received Back	300,000	—
Mrs. Usha Goyal	Deposit Received Back	300,000	—
Quiet Enterprises LLP (P.Y. Quiet Investments Pvt. Ltd.)	Receipt of Warrant Money	—	1,250,000
	Conversion of Warrants into Equity Shares inclusive of Securities Premium	—	24,000,000
Ladderup Securities Pvt. Ltd.	Conversion of Warrants into Equity Shares inclusive of Securities Premium	—	27,000,000
Sonu Portfolio Services Pvt. Ltd.	Receipt of Warrant Money	—	12,100,000
	Conversion of Warrants into Shares inclusive of Securities Premium	—	24,000,000
New India Spinning Co.	Repayment of Loan Given	48,519	43,820
	Interest Income	482,190	435,202

**c. Balance Outstanding of Related Parties**

(Amount in ₹)

Name of Party	Receivable / Payable	Year Ended 31.03.2014	Year Ended 31.03.2013
Mr. Sunil Goyal	Receivable	—	300,000
Mr. Manoj Singrodia	Receivable	—	500,000
Mrs. Usha Goyal	Receivable	—	300,000
Mrs. Santosh Singrodia	Receivable	—	935,000
Ladderup Corporate Advisory Pvt. Ltd.	Receivable	14,643,141	—
Ladderup Wealth Management Pvt. Ltd.	Receivable	1,028,164	2,164,248
Ladderup Insurance Broking Pvt. Ltd.	Receivable	604,941	740,420
New India Spinning Company	Receivable	4,451,922	4,018,251

## ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

### F) Proposed Dividend

Information in respect of Proposed Dividend to the Equity Shareholders for the year ended 31<sup>st</sup> March, 2014:

(Amount in ₹)

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
Amount of Proposed Dividend	6,426,300	6,426,300
Proposed Dividend per Share	0.50	0.50
Tax on Proposed Dividend	1,092,150	1,092,150
Transfer to General Reserve	—	—

### G) Additional Information pursuant to Clause 32 of Listing Agreement

Particulars	As at 31.03.2014		As at 31.03.2013	
	Amount	Maximum Amount Outstanding	Amount	Maximum Amount Outstanding
Ladderup Corporate Advisory Pvt. Ltd.	14,643,141	503,945	—	503,945
Ladderup Wealth Management Pvt. Ltd.	1,028,164	4,464,355	2,164,248	4,464,355
Ladderup Insurance Broking Pvt. Ltd.	604,941	740,420	740,420	740,420

- H) Company has transferred an amount of ₹ 46,96,003/- (P.Y. ₹ 51,11,596/-) 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.
- I) During the year 2010-11, the Company had made an issue of 50,00,000 Convertible Warrants on preferential basis convertible into equity shares of face value of ₹ 10/- each fully paid up at a price of ₹ 30/- per share (including premium of ₹ 20/-) to promoter group and other investors in accordance with SEBI guidelines. The Company has fully utilized the Warrant proceeds towards the objects as mentioned in the offer document.
- J) The previous year's figures have been re-grouped / re-classified to conform to this year's classification.

In terms of our Report of even date attached

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

**For and on behalf of the Board of Directors**

**Sunil Goyal**  
Managing Director

**Deepak Ladha**  
Executive Director

**Sampat Khurdia**  
Partner  
Membership No. 33615

**Harsha Saksena**  
Executive Director

**Tulsi Daryanani**  
Company Secretary

Place : Mumbai  
Date : 6<sup>th</sup> May, 2014

Place : Mumbai  
Date : 6<sup>th</sup> May, 2014

## BALANCE SHEET OF A NON DEPOSIT TAKING NON-BANKING FINANCIAL COMPANY AS ON 31<sup>ST</sup> MARCH, 2014

[as required in terms of paragraph 13 of Non-Banking Financial (Non deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007]

Sr. No.	Particulars	Amount Outstanding	Amount Overdue
	<b>LIABILITIES SIDE</b>		
(1)	Loans and Advances availed by the Non-Banking Financial Company inclusive of interest accrued thereon but not paid		
	(a) Debentures :		
	Secured	Nil	NA
	Unsecured	Nil	NA
	(Other than falling within the meaning of Public Deposits *)		
	(b) Deferred Credits	Nil	NA
	(c) Term Loans	—	Nil
	(d) Inter-corporate Loans and Borrowing	Nil	NA
	(e) Commercial Paper	Nil	NA
	(f) Other Loans	Nil	NA
	*Please see Note 1 below		

### ASSETS SIDE

(2)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:	<b>Amount Outstanding</b>
	(a) Secured	Nil
	(b) Unsecured	131,031,070
	<b>Total</b>	<b>131,031,070</b>
(3)	<b>Break up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities</b>	
	(i) Lease Assets including Lease Rentals under Sundry Debtors:	
	(a) Financial Lease	Nil
	(b) Operating Lease	Nil
	(ii) Stock on hire including hire charges under sundry debtors:	
	(a) Assets on hire	Nil
	(b) Repossessed Assets	Nil
	(iii) Other Loans counting towards AFC activities	
	(a) Loans where assets have been repossessed	Nil
	(b) Loans other than (a) above	Nil

**BALANCE SHEET OF A NON DEPOSIT TAKING NON-BANKING FINANCIAL  
COMPANY AS ON 31<sup>ST</sup> MARCH, 2014**

<b>(4)</b>	<b>Break-up of Investments</b>	
	<b>Current Investments</b>	
1	Quoted	
	(i) Shares : (a) Equity	Nil
	(b) Preference	Nil
	(ii) Debentures and Bonds	Nil
	(iii) Units of mutual funds	Nil
	(iv) Government Securities	Nil
	(v) Others (please specify)	Nil
2	Unquoted	
	(i) Shares: (a) Equity	Nil
	(b) Preference	Nil
	Debentures and Bonds	Nil
	Units of mutual funds	2,021,712
	Government Securities	Nil
	Others	Nil
	<b>Long term Investments</b>	
1	Quoted:	
	(i) Shares: (a) Equity	110,789,169
	(b) Preference	Nil
	Debentures and Bonds	Nil
	Units of mutual funds	Nil
	Government Securities	Nil
	Others (please specify)	Nil
2	Unquoted	
	(i) Shares: (a) Equity	72,380,530
	(b) Preference	1,979,541
	Debentures and Bonds	Nil
	Units of mutual funds	Nil
	Government Securities	Nil
	Others	30,651,250
	<b>Total</b>	<b>217,822,202</b>

**BALANCE SHEET OF A NON DEPOSIT TAKING NON-BANKING FINANCIAL  
COMPANY AS ON 31<sup>ST</sup> MARCH, 2014**

(5)	Borrower Group-Wise classification of assets financed as in (2) and (3) above Please see Note 2 below			
	Category	Amount net of Provisions		
		Secured	Unsecured	Total
	1. Related Parties			
	(a) Subsidiaries	Nil	16,276,246	16,276,246
	(b) Companies in the same group	Nil	Nil	Nil
	(c) Other related parties	Nil	4,451,922	4,451,922
	2. Other than related parties	Nil	110,302,902	110,302,902
	Total	Nil	131,031,070	131,031,070

<b>(6)</b>	<b>Investor group-wise classification of all investments (current and long-term) in shares and securities (Both quoted and unquoted):</b> Please see Note 3 below		
	<b>Category</b>	<b>Market Value/ Break up or fair value or NAV</b>	<b>Book Value (Net of Provisions)</b>
	1. Related Parties		
	(a) Subsidiaries	95,290,162	30,651,250
	(b) Companies in the same group	Nil	Nil
	(c) Other related parties	47,530,381	27,355,155
	2. Other than related parties	200,200,192	159,815,797
	<b>Total</b>	<b>343,020,735</b>	<b>217,822,202</b>

<b>(7)</b>	<b>Other Information</b>		
	<b>Particulars</b>		<b>Amount</b>
1.	(i) Gross Non-Performing Assets		
	(a) Related parties		Nil
	(b) Other than related parties		Nil
	(ii) Net Non-Performing Assets		
	(a) Related parties		Nil
	(b) Other than related parties		Nil
	(iii) Assets acquired in satisfaction of debt		Nil

**Notes :**

- As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long-term or current in (4) above.

# INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

## To the Board of Directors Ladderup Finance Limited,

We have audited the accompanying consolidated financial statements of Ladderup Finance Limited ("the Company") and its subsidiaries, which comprise the consolidated Balance Sheet as at 31<sup>st</sup> March, 2014 and the consolidated Statement of Profit and Loss and the consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

## Management's Responsibility for the Consolidated Financial Statements

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

## Auditor's Responsibility

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

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

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

## Opinion

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

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

For Khurdia Jain & Co.  
Chartered Accountants  
Firm Regn. No.: 120263W

Sampat Khurdia  
Partner  
Mem No : 033615

Place : Mumbai  
Date : 6<sup>th</sup> May, 2014

# CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2014

(Amount in ₹)

Particulars	Note Nos	As at 31.03.2014	As at 31.03.2013
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	128,526,000	128,526,000
Reserves and Surplus	3	249,803,063	239,117,370
		<b>378,329,063</b>	<b>367,643,370</b>
<b>Minority Interest</b>		<b>1,877,232</b>	<b>1,843,467</b>
<b>Non-Current Liabilities</b>			
Long-term Borrowings	4	—	1,326,594
Long-term Provisions	5	2,185,022	1,714,651
		<b>2,185,022</b>	<b>3,041,245</b>
<b>Current Liabilities</b>			
Short-term Borrowings	6	7,536,986	2,500,000
Trade Payables	7	2,702,648	1,211,412
Other Current Liabilities	8	6,945,980	10,725,567
Short-term Provisions	9	12,596,107	11,107,719
		<b>29,781,721</b>	<b>25,544,698</b>
		<b>412,173,038</b>	<b>398,072,780</b>
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Fixed Assets	10		
- Tangible Assets		9,539,291	12,054,251
- Intangible Assets		67,715	123,736
		<b>9,607,006</b>	<b>12,177,987</b>
Non-current Investments	11	205,149,240	204,419,241
Deferred Tax Assets (Net)	12	4,792,413	2,933,742
Long-term Loans and Advances	13	57,272,035	26,695,267
		<b>276,820,695</b>	<b>246,226,237</b>
<b>Current Assets</b>			
Current Investments	14	2,021,712	19,246,170
Trade Receivables	15	44,468,633	32,455,554
Cash and Bank Balances	16	4,437,668	5,571,508
Short-term Loans and Advances	17	83,684,412	93,851,404
Other Current Assets	18	739,918	721,907
		<b>135,352,343</b>	<b>151,846,543</b>
		<b>412,173,038</b>	<b>398,072,780</b>
Significant Accounting Policies	1		
Accompanying Notes to Accounts	25		

**In terms of our report of even date**

**For Khurdia Jain & Co.**

*Chartered Accountants*

**For and on behalf of the Board of Directors**

**Sunil Goyal**  
*Managing Director*

**Deepak Ladha**  
*Executive Director*

**Sampat Khurdia**

*Partner*

**Harsha Saksena**  
*Executive Director*

**Tulsi Daryanani**  
*Company Secretary*

**Mem. No. 33615**

Place : Mumbai  
Date: 6<sup>th</sup> May, 2014

Place : Mumbai  
Date: 6<sup>th</sup> May, 2014



**CONSOLIDATED STATEMENT OF PROFIT AND LOSS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014**

(Amount in ₹)

Particulars	Note Nos.	Year Ended 31.03 2014	Year Ended 31.03.2013
<b>REVENUE</b>			
Revenue from Operations	19	101,940,325	103,241,662
Other Income	20	511,364	980,608
		<b>102,451,689</b>	<b>104,222,270</b>
<b>EXPENSES</b>			
Employee Benefits Expenses	21	50,874,772	53,580,084
Finance Costs	22	402,158	398,916
Depreciation and Amortization Expenses	10	2,030,712	2,354,597
Other Expenses	23	31,689,431	30,026,519
		<b>84,997,073</b>	<b>86,360,116</b>
<b>Profit Before Tax</b>		<b>17,454,616</b>	<b>17,862,154</b>
<b>Less : Tax Expenses</b>			
Current Tax		4,940,000	4,702,000
Minimum Alternate Tax Credit Entitlement		(3,845,753)	(741,746)
Deferred Tax	12	(1,858,669)	121,683
Taxation of Earlier Years		(41,728)	(554)
Profit for the Year before Minority Interest		<b>18,260,766</b>	<b>13,780,771</b>
Less : Minority Interest		33,765	496,373
Profit for the Year		<b>18,227,001</b>	<b>13,284,398</b>
Earnings Per Equity Share: (Nominal Value of ₹ 10 each)	24		
- Basic		1.42	1.06
- Diluted		1.42	1.06
Significant Accounting Policies	1		
Accompanying Notes to Accounts	25		

**In terms of our report of even date**

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

**For and on behalf of the Board of Directors**

**Sunil Goyal**  
Managing Director

**Deepak Ladha**  
Executive Director

**Sampat Khurdia**  
Partner

**Harsha Saksena**  
Executive Director

**Tulsi Daryanani**  
Company Secretary

**Mem. No. 33615**

Place : Mumbai  
Date: 6<sup>th</sup> May, 2014

Place : Mumbai  
Date: 6<sup>th</sup> May, 2014

**CONSOLIDATED CASH FLOW STATEMENT FOR  
THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014**

(Amount in ₹)

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
<b>A. Cash Flow from Operating Activities</b>		
Profit before Tax	17,454,616	17,862,154
Adjustments for:		
Depreciation on Fixed Assets	2,030,712	2,354,597
Loss on Sale of Fixed Assets	500,900	—
Interest Expense	379,154	339,997
Interest Income	(269,761)	(405,836)
Dividend	(228,472)	(574,772)
Loss /(Profit) from sale of investments (Net)	923,806	573,545
<b>Operating Profit before Working Capital Changes</b>	<b>20,790,955</b>	<b>20,149,685</b>
Adjustments for :		
(Increase) / Decrease in Trade Receivables	(12,013,079)	12,059,362
(Increase) / Decrease in Short-Term Loans and Advances	10,166,990	(22,013,670)
(Increase) / Decrease in Long-Term Loans and Advances	(20,698,267)	—
(Increase) / Decrease in Other Current Assets	(18,012)	(2,987)
(Increase) / Decrease in Non- Current Investments	(5,848,798)	(13,769,715)
(Increase) / Decrease in Current Investments	10,689,820	(10,020,331)
Increase / (Decrease) in Trade Payables	1,491,236	(9,009,053)
Increase / (Decrease) in Other Current Liabilities	(3,779,588)	(5,925,824)
Increase / (Decrease) in Short Term Provisions	103,373	(15,671)
Increase / (Decrease) in Long Term Provisions	470,371	185,782
Cash Generated from Operations	1,355,002	(28,362,422)
Income Tax paid	(9,546,005)	(9,058,983)
<b>Net Cash Inflow from/ (Outflow) from operating Activities (A)</b>	<b>(8,191,003)</b>	<b>(37,421,405)</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Investments	(2,000,000)	(52,586,808)
Sale Proceeds from Investments	12,729,630	27,667,325
Purchase of Fixed Assets	(58,488)	(884,365)
Sale Proceeds from Fixed Assets	75,000	—
Share Application Money	—	31,000,000
Interest Received	269,761	405,836
Dividend Received	228,472	574,772
<b>Net Cash Outflow from Investing Activities (B)</b>	<b>11,244,375</b>	<b>6,176,760</b>

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

(Amount in ₹)

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from Issue of Shares including Premium	—	150,000,000
Proceeds from Issue of Share Warrants	—	(129,750,000)
Proceeds from Short-term Borrowings	5,036,986	(180,000)
Proceeds from Long-term Borrowings	(1,326,594)	1,182,566
Interest paid	(379,154)	(339,997)
Dividend and Taxes paid thereon	(7,518,450)	(11,203,210)
<b>Net Cash Inflow from Financing Activities (C)</b>	<b>(4,187,212)</b>	<b>9,709,359</b>
<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>(1,133,840)</b>	<b>(21,535,286)</b>
<b>Add : Opening Cash and Cash Equivalents</b>	<b>5,571,508</b>	<b>27,106,794</b>
<b>Closing Cash and Cash Equivalents</b>	<b>4,437,668</b>	<b>5,571,508</b>

### Notes:

- Cash and Cash Equivalents at the end of the year consists of Cash in Hand and Balances with Banks are as follows :

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
Cash on Hand	182,255	131,565
Bank Balances - In Current account	4,255,413	5,439,943
	<b>4,437,668</b>	<b>5,571,508</b>
Significant Accounting Policies	1	
Accompanying Notes to Accounts	25	

### In terms of our report of even date

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

**Sampat Khurdia**  
Partner

**Mem. No. 33615**

Place : Mumbai  
Date: 6<sup>th</sup> May, 2014

### For and on behalf of the Board of Directors

**Sunil Goyal**  
Managing Director

**Harsha Saksena**  
Executive Director

Place : Mumbai  
Date: 6<sup>th</sup> May, 2014

**Deepak Ladha**  
Executive Director

**Tulsi Daryanani**  
Company Secretary

## ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

### Note 1 : Significant Accounting Policies:

#### A Basis of Consolidation :

The consolidated financial results comprise the financial statements of Ladderup Finance Limited (LFL) and its subsidiaries Ladderup Corporate Advisory Private Limited (LCAPL), Ladderup Wealth Management Private Limited (LWMPL) and Ladderup Insurance Broking Private Limited (LIBPL), 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:

- i) 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 unrealised profit or loss.
- ii) 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

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.

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 & Fixtures	10 Years	Nil
4	Vehicles	3 Years	25%
5	Air Conditioners	3 Years	Nil
6	Electrical Installation	10 Years	Nil

## ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

### 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	Office Equipments	3 Years	Nil
2	Computers	3 Years	10%
3	Air Conditioners	3 Years	Nil

### In case of Ladderup Insurance Broking 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	Office Equipments	3 Years	Nil
2	Software	3 Years	10%

### B. 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, Ladderup Wealth Management Private Limited and Ladderup Insurance Broking Private Limited.

### C. Companies included in Consolidated Financial Statements are

Sr. No.	Name of the Company	Country of Incorporation	% of Voting power held as at 31.03.2013
1	Ladderup Corporate Advisory Private Limited	India	100%
2	Ladderup Wealth Management Private Limited	India	67%
3	Ladderup Insurance Broking Private Limited	India	85%

# ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

## Note 2 : Share Capital

### a. Details of Authorised, Issued and Subscribed Share Capital (Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
<b>Authorised Capital</b>		
15,000,000 Equity Shares of ₹ 10/- each	150,000,000	150,000,000
<b>Issued, Subscribed and Paid-up Capital</b>		
12,852,600 Equity Shares of ₹ 10/- each, fully paid-up	128,526,000	128,526,000
	<b>128,526,000</b>	<b>128,526,000</b>

### b. Terms & Conditions

The Company has only one class of Equity Shares having a par value of ₹ 10 per Share. Each holder of Equity Share is entitled to one vote per Share.

In the event of liquidation of the Company, the holder of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

### c. Shareholders having more than 5% Shareholding

Name of Shareholders	As at 31.03.2014		As at 31.03.2013	
	No. of Equity Shares held	Percentage	No. of Equity Shares held	Percentage
Sonu Portfolio Services Pvt. Ltd.	1,640,850	12.77%	1,640,850	12.77%
Quiet Enterprises LLP (P.Y. Quiet Investments Pvt. Ltd.)	1,779,600	13.85%	1,779,600	13.85%
Ladderup Securities Pvt. Ltd.	1,905,900	14.83%	1,905,900	14.83%
Deepak Ghanshyam Ladha (Held on behalf on Shikha Financial Services)	642,880	5.00%	642,880	5.00%
Jupiter Enterprises Ltd.	840,000	6.54%	—	—
Nabhshika Financial Advisory Pvt Ltd	689,702	5.37%	—	—
Indianivesh Management Consultants Pvt Ltd	—	—	1,500,000	11.67%

### d. Reconciliation of Number of Shares

Particulars	As at 31.03.2014		As at 31.03.2013	
	Equity Shares		Equity Shares	
	Number	₹	Number	₹
Shares outstanding at the beginning of the year	12,852,600	128,526,000	7,852,600	78,526,000
Shares issued during the year	—	—	5,000,000	50,000,000
Shares bought back during the year	—	—	—	—
Shares outstanding at the end of the year	12,852,600	128,526,000	12,852,600	128,526,000

**ACCOMPANYING NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014**

**Note 3 : Reserves and Surplus**

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
<b>a. Capital Reserves</b>		
Opening Balance	300,000	300,000
Closing Balance	300,000	300,000
<b>b. Securities Premium account</b>		
Opening Balance	138,500,000	38,500,000
Add : Addition during the Year	—	100,000,000
Closing Balance	138,500,000	138,500,000
<b>c. Revaluation Reserve</b>		
Opening Balance	973,759	996,619
Less : Written back in current Year	22,860	22,860
Closing Balance	950,899	973,759
<b>d. General Reserve</b>		
Opening Balance	6,700,000	6,700,000
Closing Balance	6,700,000	6,700,000
<b>e. Special Reserve under section 45IC of RBI Act</b>		
Opening Balance	15,275,377	10,163,782
Add : Transfer during the Year	4,696,003	5,111,595
Closing Balance	19,971,380	15,275,377
<b>f. Surplus in the Statement of Profit and Loss :</b>		
Opening Balance	77,368,236	76,713,880
Add : Net profit for the Year	18,227,001	13,284,399
Less : Proposed Dividends	6,426,300	6,426,300
Less : Tax on Proposed Dividends	1,092,150	1,092,150
Less : Transfer to Reserves	4,696,003	5,111,595
Closing Balance	83,380,784	77,368,234
<b>Total</b>	<b>249,803,063</b>	<b>239,117,370</b>

**ACCOMPANYING NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014**

**Note 4 : Long-term Borrowings**

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
<b>Secured</b>		
Vehicle Loans	1,334,462	2,711,105
Less: Current maturities of Long-term debt	1,334,462	1,384,511
<b>Total</b>	<b>—</b>	<b>1,326,594</b>

**Other disclosures pursuant to Long-term Borrowings :**

- Loan taken by the Company was secured by hypothecation of vehicle financed ₹ Nil (PY ₹ 149,126). The loan carried rate of Interest @ 8% p.a. and repayable in 35 equal installments starting from October, 2010. The loan is fully paid in current financial year.
- The loan taken by one subsidiary i.e. Ladderup Corporate Advisory Private Limited is secured by hypothecation of vehicle financed ₹ 13,34,362 (PY ₹ 2,561,979). The loan carries rate of Interest @ 11.50% p.a. and repayable in 35 equal installments starting from May, 2012.

**Note 5 : Long-term Provisions**

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2014
<b>Provision for Employee Benefits:</b>		
Gratuity	2,185,022	1,714,651
<b>Total</b>	<b>2,185,022</b>	<b>1,714,651</b>

**Note 6 : Short-term Borrowings**

Particulars	As at 31.03.2014	As at 31.03.2013
<b>Unsecured</b>		
Loans and Advances from Related Parties	2,500,000	2,500,000
Loans and Advances from Others	5,036,986	-
<b>Total</b>	<b>7,536,986</b>	<b>2,500,000</b>

**Note 7 : Trade Payables**

Particulars	As at 31.03.2014	As at 31.03.2013
<b>Trade Payables *</b>		
Due to Micro and Small Enterprises	—	—
Other than Micro and Small Enterprises	2,702,648	1,211,412
<b>Total</b>	<b>2,702,648</b>	<b>1,211,412</b>

- \* As on 31.03.2014, there are no amounts due to the suppliers covered under Micro, Small and Medium Enterprises Development Act, 2006.



**ACCOMPANYING NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014**

**Note 8 : Other Current Liabilities**

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
Current maturities of Long-term Debt	1,334,462	1,384,511
Duties & Taxes Payable	3,556,925	3,207,960
Advance from Clients	340,000	45,687
Unclaimed Dividend	362,979	355,144
Expenses Payable	1,350,614	5,731,265
Other Current Liabilities	1,000	1,000
<b>Total</b>	<b>6,945,980</b>	<b>10,725,567</b>

**Note 9 : Short-term Provisions**

Particulars	As at 31.03.2014	As at 31.03.2013
<b>Provision for Employee Benefits</b>		
Bonus	446,717	375,796
Gratuity	74,147	41,695
<b>Others:</b>		
Proposed Dividend	6,426,300	6,426,300
Tax on Proposed Dividend	1,092,150	1,092,150
Income Tax Provisions	4,556,793	3,171,778
<b>Total</b>	<b>12,596,107</b>	<b>11,107,719</b>

# **ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014**

## **Note 10 : Fixed Assets**

(Amount in ₹)

Particulars	Gross Block			Accumulated Depreciation					Net Block		
	As at April 1, 2013	Additions during the year	Deductions during the year	As at 31.03.2014	Up to 31.03.2013	Depreciation charge for the year	Adjustment due to revaluations	Adjustments on disposals	Up to 31.03.2014	As at 31.03.2014	As at 31.03.2013
<b>Tangible Assets</b>											
Premises	2,078,750	—	—	2,078,750	639,482	11,024	22,860	—	673,366	1,405,384	1,439,268
Furniture & Fixtures	3,339,928	—	748,433	2,591,495	1,011,754	300,166	—	(422,528)	889,392	1,702,103	2,328,174
Vehicles	9,470,246	—	—	9,470,246	3,054,210	1,019,407	—	—	4,073,617	5,396,629	6,416,036
Office Equipments	595,777	15,488	352,850	258,415	444,039	66,414	—	(285,173)	225,280	33,135	151,738
Computers	4,560,765	43,000	1,187,485	3,416,280	3,497,334	454,812	—	(1,187,485)	2,764,661	651,619	1,063,431
Electric Installations	531,523	—	—	531,523	134,744	53,152	—	—	187,896	343,627	396,779
Air Conditioners	696,611	—	299,552	397,059	437,786	69,716	—	(117,237)	390,265	6,794	258,825
<b>Total</b>	<b>21,273,600</b>	<b>58,488</b>	<b>2,588,320</b>	<b>18,743,768</b>	<b>9,219,350</b>	<b>1,974,691</b>	<b>22,860</b>	<b>(2,012,423)</b>	<b>9,204,477</b>	<b>9,539,291</b>	<b>12,054,251</b>
<b>Previous Year</b>	20,462,135	811,465	—	21,273,600	6,946,078	2,250,412	22,860	—	9,219,350	12,054,251	13,516,058
<b>Intangible Assets</b>											
Computer Software	390,940	—	—	390,940	267,204	56,021	—	—	323,225	67,715	123,736
<b>Total</b>	<b>390,940</b>	<b>—</b>	<b>—</b>	<b>390,940</b>	<b>267,204</b>	<b>56,021</b>	<b>—</b>	<b>—</b>	<b>323,225</b>	<b>67,715</b>	<b>123,736</b>
<b>Previous Year</b>	318,040	72,900	—	390,940	163,019	104,185	—	—	267,204	123,736	155,021

# ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

## **Note 11 - Non Current Investments**

(Valued at cost, unless stated otherwise)

(Amount in ₹)

Name of the Body Corporate	No. of Shares / Units		Partly Paid / Fully paid	Amount	
	As at 31.03 2014	As at 31.03 2013		As at 31.03 2014	As at 31.03 2013
<b>Non Trade Investments</b>					
<b>Investment in Equity Instruments – Quoted</b>					
Aditya Birla Nuvo Ltd.	—	3,000	Fully Paid	—	3,294,970
Asahi Songwon Colors Ltd.	37,685	34,000	Fully Paid	3,245,502	3,026,485
Asian Hotels (East) Ltd.	—	7,343	Fully Paid	—	2,546,996
Atul Ltd.	—	1,000	Fully Paid	—	175,475
Ahluwalia Contracts (India) Ltd	30,000	—	Fully Paid	987,083	—
APL Apollo Tubes Ltd	15,000	—	Fully Paid	2,207,000	—
BASF India Ltd	500	—	Fully Paid	390,140	—
Capman Financials Ltd.	50,000	50,000	Fully Paid	500,000	500,000
Dhanuka Agritech Ltd.	8,000	20,000	Fully Paid	1,045,632	1,913,878
DIC India Ltd.	—	10,000	Fully Paid	—	3,139,595
Grauer & Weil India Ltd.	480,000	525,850	Fully Paid	3,273,151	3,545,911
Hester Pharma (Biosciences) Ltd.	114,004	41,698	Fully Paid	12,105,464	4,397,665
India Nivesh Ltd.	1,750,000	1,750,000	Fully Paid	70,000,000	70,000,000
IRB Infrastructure Ltd.	—	16,000	Fully Paid	—	2,026,835
Jyoti Structure Ltd.	—	52,000	Fully Paid	—	2,154,284
Kisan Mouldings Ltd.	125,000	134,815	Fully Paid	4,125,000	4,445,706
Kirloskar Oil Engines Ltd	9,000	—	Fully Paid	1,408,738	—
LIC Housing Finance Ltd.	25,000	22,000	Fully Paid	5,566,674	4,929,862
L & T Ltd.	5,000	3,000	Fully Paid	5,579,754	4,950,256
Lupin Ltd.	2,500	7,500	Fully Paid	1,034,801	2,807,390
Mahindra & Mahindra Ltd.	2,000	2,000	Fully Paid	885,252	885,252
Marksans Pharma Ltd	30,000	—	Fully Paid	607,738	—
Nesco Ltd.	—	5,000	Fully Paid	—	2,307,480
Future Retail Limited	—	2,500	Fully Paid	—	687,887
Paper Products Ltd	8,000	—	Fully Paid	576,785	—
Pantaloons Fashion Retail Ltd	500	—	Fully Paid	—	—
Ranbaxy Laboratories Ltd.	—	3,200	Fully Paid	—	1,669,580
Repro India Ltd.	51,410	18,000	Fully Paid	8,890,015	3,904,838
RSWM Ltd.	—	5,375	Fully Paid	—	606,831
Rossell India Ltd.	13,251	—	Fully Paid	636,113	—

**ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014** (Amount in ₹)

Name of the Body Corporate	No. of Shares / Units		Partly Paid / Fully paid	Amount	
	As at 31.03 2014	As at 31.03 2013		As at 31.03 2014	As at 31.03 2013
Sun Pharma Advanced Research Company Ltd.	10,000	—	Fully Paid	1,597,801	—
TCS Ltd.	—	800	Fully Paid	—	485,824
Tata Motor (DVR)	—	17,500	Fully Paid	—	2,355,355
Tilak Nagar Industries Ltd.	20,000	—	Fully Paid	1,159,148	—
Vaibhav Gems Ltd	44,800	136,032	Fully Paid	4,967,378	7,681,510
Veto Switchgears & Cables Ltd.	—	33,000	Fully Paid	—	1,650,000
West Coast Paper Mills Ltd.	—	23,500	Fully Paid	—	2,725,776
Tinplate Company of India Ltd.	—	50,000	Fully Paid	—	3,405,219
	<b>2,831,650</b>	<b>2,975,113</b>	<b>(B)</b>	<b>130,789,169</b>	<b>142,220,860</b>
<b>Investment in Equity Instruments – Unquoted</b>					
Invent Bio-Media Pvt. Ltd.	100,000	100,000	Fully Paid	4,000,000	4,000,000
Algorhythm Tech Pvt. Ltd.	15	15	Fully Paid	5,625	5,625
Speakwell Enterprises Pvt. Ltd.	15	15	Fully Paid	15,060	15,060
JIR Technologies Pvt. Ltd.	11,612	11,612	Fully Paid	7,000,000	7,000,000
Jumboking Foods Pvt. Ltd.	98,901	98,901	Fully Paid	8,855,155	8,855,155
Mobile Magic Pvt. Ltd.	137,894	137,894	Fully Paid	16,000,000	16,000,000
Annapurna Pet Pvt. Ltd.	151,680	69,800	Fully Paid	15,168,000	6,980,000
Parag Milk & Milk Products Pvt. Ltd.	200,000	200,000	Fully Paid	12,500,000	12,500,000
Lotus Spaces Pvt. Ltd.	100,000	100,000	Fully Paid	2,000,000	2,000,000
Tops Security Ltd.	40,900	40,900	Fully Paid	2,863,000	2,863,000
Gini & Jony Ltd.	454,136	—	Partly Paid	3,973,690	—
	<b>1,295,153</b>	<b>759,137</b>	<b>(C)</b>	<b>72,380,530</b>	<b>60,218,840</b>
<b>Total Investment in Equity Instruments</b>	<b>4,126,803</b>	<b>3,734,250</b>	<b>(A)+(B)+(C)</b>	<b>203,169,699</b>	<b>202,439,700</b>
<b>Investments in Preference Shares</b>					
Algorhythm Tech Pvt. Ltd.	1,319	1,319	Fully Paid	494,625	494,625
Speakwell Enterprises Pvt. Ltd.	1,479	1,479	Fully Paid	1,484,916	1,484,916
	<b>2,798</b>	<b>2,798</b>		<b>1,979,541</b>	<b>1,979,541</b>
<b>Total</b>	<b>4,129,601</b>	<b>3,737,048</b>		<b>205,149,240</b>	<b>204,419,241</b>

Particulars	As at 31.03.2014	As at 31.03.2013
Aggregate Market Value of Quoted Investments	158,194,756	150,711,751
Aggregate Book Value of Quoted Investments	130,789,169	142,220,860
Aggregate Book Value of Unquoted Investments	74,360,071	62,198,381

## ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

### Note 12 : Deferred Tax Assets (Net)

The major components of Deferred Tax Liability / Asset as recognised in the Financial Statement are as follows:

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
<b>Deferred Tax Asset</b>		
<b>Fixed Assets</b> : Impact of difference between Tax Depreciation and Depreciation charged for the Financial Reporting	233,891	122,963
Impact of Expenditure charged to the Statement of Profit and Loss in the current year but allowed for Tax purposes on payment basis :	836,359	658,832
<b>Others :</b>		
Preliminary Expenses	309	618
Carry forward Business Loss and Unabsorbed Depreciation	3,764,975	2,272,277
	4,835,534	3,054,690
<b>Deferred Tax Liability</b>		
<b>Fixed Assets</b> : Impact of difference between Tax Depreciation and Depreciation charged for the Financial Reporting	43,121	120,948
	43,121	120,948
<b>Net</b>	<b>4,792,413</b>	<b>2,933,742</b>

### Note 13 : Long-term Loans and Advances

(Unsecured, considered good)

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
<b>Security Deposits</b>		
- To Related Parties	—	2,035,000
- To Others	4,258,547	5,407,996
<b>Loans and Advances</b>		
- To Others	23,882,715	
<b>Other Loans and Advances</b>		
Share Application Money		
- To Others	7,125,000	7,125,000
Fixed Deposit with Maturity of more than 12 months	1,200,000	1,200,000
Advance Tax & TDS	16,218,274	10,185,525
Minimum Alternate Tax Credit Entitlement	4,587,499	741,746
<b>Total</b>	<b>57,272,035</b>	<b>26,695,267</b>

**ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL  
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Loans & Advances to Related Parties includes :

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
<b>Key Management Personnel</b>		
Sunil Goyal	–	300,000
Manoj Singrodia	–	500,000
<b>Relatives of Key Management Personnel</b>		
Santosh Singrodia	–	935,000
Usha Goyal	–	300,000
<b>Total</b>	<b>–</b>	<b>2,035,000</b>

**Note 14 : Current Investments**

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
<b>(Valued at lower of cost or fair value, unless stated otherwise)</b>		
<b>Investments in Mutual Funds</b>		
Reliance Money Manager Fund Instalment – Daily Dividend	2,021,712	15,732,798
<b>Birla Sunlife Saving Fund – Daily Dividend</b>	<b>–</b>	<b>3,513,372</b>
<b>Total</b>	<b>2,021,712</b>	<b>19,246,170</b>

Particulars	As at 31.03.2014	As at 31.03.2013
<b>Aggregate NAV of Unquoted Investments</b>	2,023,093	19,257,615
Aggregate Book Value of Unquoted Investments	2,021,712	19,246,170

**Note 15 : Trade Receivables**

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>	17,077,523	10,626,436
Other Debts	27,391,110	21,829,118
<b>Total</b>	<b>44,468,633</b>	<b>32,455,554</b>

**ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014**

**Note 16 : Cash and Bank Balances**

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
Balances with banks		
- Current account	3,439,288	4,659,574
- Fixed deposits with Maturity of less than 3 months	—	—
Cash on Hand	182,255	131,565
<b>Other Bank Balance</b>		
Fixed deposit with Maturity of 3 to 12 months	453,146	425,225
Unclaimed Dividend	362,979	355,144
<b>Total</b>	<b>4,437,668</b>	<b>5,571,508</b>

**Note 17 : Short-term Loans and Advances**

(Unsecured, considered good)

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
Loans and Advances		
- To Related Parties	4,451,922	4,018,251
- To Others	75,490,892	86,290,668
<b>Other Loans and Advances</b>		
Prepaid Expenses	711,152	481,794
Staff Advance	549,600	709,653
Service Tax Receivable	6,798	7,662
Advance Recoverable in Cash or in Kind	2,474,048	2,343,376
<b>Total</b>	<b>83,684,412</b>	<b>93,851,404</b>

**Loans & Advances to Related Parties includes :**

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
<b>Enterprise over which Relatives of Key Management Personnel are able to exercise significant influence :</b>		
New India Spinning Company	4,451,922	4,018,251
	<b>4,451,922</b>	<b>4,018,251</b>

**ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL  
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**Note 18 : Other Current Assets**

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
Interest Accrued	67,415	49,404
<b>Receivable from Related Parties</b>		
Interest Receivable on Security Deposits	672,503	672,503
	<b>739,918</b>	<b>721,907</b>

**Other Current Assets from Related Parties includes :**

(Amount in ₹)

Particulars	As at 31.03.2014	As at 31.03.2013
<b>"Enterprise over which Key Management Personnel are able to exercise significant influence :"</b>		
Structmust Realtors (Mumbai) Pvt. Ltd.	672,503	672,503

**Note 19 : Revenue from Operations**

(Amount in ₹)

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
Interest	3,012,122	8,235,177
Net Gain from Sale of Shares & Securities	20,714,689	10,553,126
Financial & Management Consultancy Fees	53,615,826	58,147,036
Brokerage & Commission and Investment Advisory Services	22,317,179	24,395,831
Dividends	2,280,509	1,910,492
<b>Total</b>	<b>101,940,325</b>	<b>103,241,662</b>

**Note 20 : Other Income**

(Amount in ₹)

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
Interest	279,609	405,836
Dividends	228,472	574,772
Net Gain from Sale of Shares & Securities	3,283	—
<b>Total</b>	<b>511,364</b>	<b>980,608</b>



**ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL  
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**Note 21 : Employee Benefits Expenses**

(Amount in ₹)

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
Salaries, Bonus and Incentives	32,669,549	35,893,187
Directors Remuneration	17,101,638	16,477,376
Contribution to Provident Fund	375,086	241,392
Staff Welfare Expenses	728,499	968,129
<b>Total</b>	<b>50,874,772</b>	<b>53,580,084</b>

**Note 22 : Finance Costs**

(Amount in ₹)

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
Bank Charges	23,004	58,919
Interest Expenses	379,154	339,997
<b>Total</b>	<b>402,158</b>	<b>398,916</b>

**Note 23 : Other Expenses**

(Amount in ₹)

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
Rent	9,176,641	10,210,992
Communication Costs	654,937	789,589
Insurance	111,866	63,176
Electricity	992,190	999,240
Printing & Stationery	458,437	435,160
Travelling & Conveyance	1,951,272	1,563,599
Repair & Maintenance (Others)	46,448	143,889
Vehicle Maintenance	2,306,721	3,497,821
Stipend	281,027	260,082
Professional Fees	4,356,904	3,631,062
Advertising and Business Promotions	2,107,785	1,316,135
Sub-commission & Brokerage	2,393,677	751,900
Office Expenses	915,392	827,805
Conferences & Seminars	176,506	700,532
Membership & Subscription	672,341	831,045
Director Sitting Fees	60,000	60,000
Payment to Auditors	93,708	92,000
Loss on Sale / Disposal of Fixed Assets	500,900	—
Securities Transaction Tax	97,144	108,601
Net Loss on Sale of Shares & Securities	927,089	573,545
Miscellaneous Expenses	1,872,945	2,149,561
Sundry Balances Written Off	1,535,501	1,020,784
<b>Total</b>	<b>31,689,431</b>	<b>30,026,519</b>

## ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

### Note 24 : Earnings Per Equity Share:

(Amount in ₹)

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
<b>Basic Earnings per Share</b>		
Profit Attributable to Equity Shareholders	18,227,001	13,284,398
Weighted Average Number of Equity Shares	12,852,600	12,537,532
<b>Basic Earnings per Share</b>	1.42	1.06
<b>Face value per Share</b>	10	10
<b>Dilutive Earnings per Share</b>		
Profit after adjusting Interest on Potential Equity Shares	18,227,001	13,284,398
Weighted Average Number of Equity Shares after Considering Potential Equity Shares	12,852,600	12,537,532
<b>Dilutive Earnings per Share</b>	1.42	1.06
<b>Face Value per Share</b>	10	10

### Note 25: Accompanying Notes to Accounts

- A) Contingent Liabilities & Capital Commitment:** Uncalled liability on partly paid-up Equity Shares ₹ 1,19,21,070 (P.Y. Nil)
- B)** In the opinion of the Board the Current Assets, Loans & Advances are realisable in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of amount reasonably necessary.
- C)** Some of the Sundry Debtors, Sundry Creditors, Loans and Advances are subject to confirmation and reconciliation. Consequential adjustment thereof, if any, will be given effect into the books of account in the Year of such adjustment.

#### **D) Segment Reporting**

##### **Basis of Preparation**

In accordance with the requirements of Accounting Standard – 17 “Segment Reporting”, issued by the 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 segments are as below:

(Amount in ₹)

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
Segment Revenue (Net) from Sales to External Customers		
Investment & Trading Activities	22,995,198	12,463,618
Consultancy Services	53,615,826	58,147,036
Finance Activities	3,736,967	8,679,814
Investment Advisory Services	22,317,179	24,395,831
<b>Total Segment Revenue</b>	<b>102,665,170</b>	<b>103,686,299</b>
Less : Inter Segment Revenue	724,845	444,637
<b>Net Income from Operations</b>	<b>101,940,325</b>	<b>103,241,662</b>

**ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014** (Amount in ₹)

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
<b>Segment Results :</b>		
Investment & Trading Activities	21,933,586	11,757,121
Consultancy Services	(6,430,902)	(3,701,494)
Finance Activities	3,736,967	8,679,814
Investment Advisory Services	(145,111)	1,151,529
<b>Total</b>	<b>19,094,540</b>	<b>17,886,969</b>
Less: Unallocated Corporate Expenses	2,151,288	1,005,423
Add: Unallocated Income	511,364	980,608
<b>Profit Before Tax</b>	<b>17,454,616</b>	<b>17,862,154</b>
Less : Tax Expense	(806,150)	4,081,383
<b>Net Profit</b>	<b>18,260,766</b>	<b>13,780,771</b>

**Note :**

Fixed assets and other assets used in the Company's operations or liabilities contracted have not been identified to any of the reportable segments, as the assets are used interchangeably between segments. Hence, it is not practicable to provide segment disclosures relating to total assets and liabilities.

**E) Related Party Disclosures**

**a. List of Related Parties**

Name of the Party	Relationship
Mr. Sunil Goyal	Managing Director
Mr. Manoj Singrodia	Director
Mr. Deepak Ladha	Executive Director
Mr. Harsha Saksena (w.e.f. 14-8-2013)	Executive Director
Mr. Parimal Sheth (up to 31-10-2012)	Whole time Director & CEO
Mr. Nimesh Salot	Director of Subsidiary Company
Mr. Raghvendra Nath	Managing Director of Subsidiary Company
Mr. Nitesh Dhandharia	Director of Subsidiary Company
Mrs. Usha Goyal	Relative of Key Management Personnel
Mrs. Santosh Singrodia	Relative of Key Management Personnel
Mrs. Nisha Dhandharia	Relative of Key Management Personnel
Ladderup Foundation	A trust in which directors of Company are trustees
Ladderup Infra Investment Pvt. Ltd.	Enterprise over which Key Management Personnel are able to exercise significant Influence
Ladderup Securities Private Limited	
New India Spinning Company	
Sonu Portfolio Services Pvt. Ltd.	
Quiet Enterprises LLP (P.Y. Quiet Investments Pvt. Ltd.)	
Structmust Realtors (Mumbai) Pvt. Ltd.	
SGCO & Co.	

**ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014**

**b. Transactions with Related Parties :**

(Amount in ₹)

Name of Party	Nature of Transaction	Year Ended 31.03.2014	Year Ended 31.03.2013
Mr. Sunil Goyal	Director Remuneration	4,200,000	4,200,000
	Deposit Received Back	300,000	–
	Rent Paid	339,000	301,500
Mr. Manoj Singrodia	Sale of Fixed Assets	37,500	–
	Deposit Received Back	500,000	–
	Rent Paid	–	336,000
Mr. Deepak Ladha	Director Remuneration including Contribution to Provident Fund	3,900,000	3,900,000
Mr. Harsha Saxena	Director Remuneration including Contribution to Provident Fund	1,797,851	–
Mr. Nimesh Salot	Director Remuneration including Contribution to Provident Fund	3,000,000	3,000,000
Mr. Parimal Sheth (up to 31-10-2012)	Director Remuneration	–	1,400,000
Mr. Raghvendra Nath	Director Remuneration including Contribution to Provident Fund	2,500,000	2,500,000
Mr. Nitesh Dhandharia	Director Remuneration	1,800,000	1,500,000
Mrs. Usha Goyal	Rent Paid	339,000	301,500
	Deposit Received Back	300,000	
Mrs. Santosh Singrodia	Rent Paid	–	336,000
	Deposit Received Back	935,000	–
	Sale of Fixed Assets	37,500	–
Mrs Nisha Dhandharia	Professional Fees Paid	300,000	820,000
Quiet Enterprises LLP (P.Y. Quiet Investments Pvt. Ltd.)	Receipt of Warrant Money	–	1,250,000
	Conversion of Warrants into Equity Shares inclusive of Securities Premium	–	24,000,000
Ladderup Securities Pvt. Ltd.	Conversion of Warrants into Equity Shares inclusive of Securities Premium	–	27,000,000
Sonu Portfolio Services Pvt. Ltd.	Receipt of Warrant Money	–	12,100,000
	Conversion of Warrants in to Equity Shares inclusive of Securities Premium	–	24,000,000

**ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014** (Amount in ₹)

Name of Party	Nature of Transaction	Year Ended 31.03.2014	Year Ended 31.03.2013
New India Spinning Co.	Repayment of Loan Given	48,519	43,820
	Interest Income	482,190	435,202
SGCO & Co.	Professional Fees Paid	–	242,698
	Allocation of Expenses	–	265,544
Ladderup Foundation	Donation Paid	–	200,000
Ladderup Infra Investment Pvt. Ltd.	Loan Repaid	–	180,000

**c. Balance Outstanding of Related Parties :**

(Amount in ₹)

Name of Party	Receivable / Payable	Year Ended 31.03.2014	Year Ended 31.03.2013
Mr. Sunil Goyal	Payable	161,295	17,100
	Receivable	–	300,000
Mr. Manoj Singrodia	Payable	–	50,400
	Receivable	–	500,000
Mr. Harsha Saksena	Payable	14,554	–
Mr. Nitesh Dhandharia	Payable	–	102,714
Mr. Raghvendra Nath	Payable	–	192,589
Mrs. Santosh Singrodia	Payable	–	50,400
	Receivable	–	935,000
Mrs. Usha Goyal	Payable	25,425	17,100
	Receivable	–	300,000
Structmust Realtors (Mumbai) Pvt. Ltd.	Payable	2,500,000	2,500,000
	Receivable	672,503	672,503
New India Spinning Company	Receivable	4,451,922	4,018,251

**F) Disclosure pursuant to Accounting Standard – 15 ‘Employee Benefits’**

**Actuarial Assumption:**

(Amount in ₹)

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
Salary Growth *	6.00%	6.00%
Discount Rate	9.10%	8.20%
Withdrawal Rate	5.00%	5.00%

\* The estimates of future salary increases, considered in a actuarial valuation takes account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

**ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL  
STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014**

- (i) Changes in the Present Value of defined benefit obligation representing reconciliation of opening and closing Balances thereof: (Amount in ₹)

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
Present Value of Obligation as at the beginning of the year:	1,756,347	1,599,587
Interest Cost	144,020	135,965
Current Service Cost	615,483	583,928
Benefits Paid	—	—
Actuarial (Gain) / Loss on Obligation	(256,680)	(563,133)
Closing Present Value of Obligation	2,259,169	1,756,347

- (ii) Actuarial Gain/ Loss recognised in the Statement of Profit and Loss: (Amount in ₹)

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
Actuarial Gain/ (Loss) for the year Obligation	256,680	563,133
Total (Gain)/ Loss for the year	878,115	1,204,810
Actuarial (Gain)/ Loss recognised during the year	(256,680)	(563,133)

- (iii) The amounts recognised in the Balance Sheet are as follows: (Amount in ₹)

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
Present Value of Obligation as at the end of the year	2,259,169	1,756,347
Funded Value of Assets (Unfunded)	—	—
Net Assets / (Liability) Recognised in Balance Sheet	(2,259,169)	(1,756,347)

- (iv) The amounts recognised in the statement of Profit and Loss are as follows: (Amount in ₹)

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
Current Service Cost	615,483	583,928
Past Service Cost	—	—
Interest Cost	144,020	135,965
Expected Return on Plan Assets	—	—
Net Actuarial (Gain) / Loss recognised in the year	(256,680)	(563,133)
Expenses Recognised in the Statement of Profit and Loss	502,823	156,760

**G) Information pursuant to para 5(viii) of the General Instructions to the Statement of Profit and Loss**

(Amount in ₹)

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
Subscription Expenses (Web Access)	584,375	490,590
<b>TOTAL</b>	<b>584,375</b>	<b>490,590</b>

**H) Proposed Dividend**

(Amount in ₹)

Particulars	Year Ended 31.03.2014	Year Ended 31.03.2013
Amount of Proposed Dividend	6,426,300	6,426,300
Proposed Dividend per Share	0.50	0.50
Tax on Proposed Dividend	1,092,150	1,092,150
Transfer to General Reserve	—	—

- I)** During the year 2010-11, the Company had made an issue of 50,00,000 Convertible Warrants on preferential basis convertible into equity shares of face value of ₹ 10/- each fully paid up at a price of ₹ 30/- per share (including premium of ₹ 20/-) to promoter group and other investors in accordance with SEBI guidelines. The Company has fully utilized the Warrant proceeds towards the objects as mentioned in the offer document.
- J)** The previous year's figures have been re-grouped/re-classified to confirm to this year's classification.

**In terms of our report of even date**

**For Khurdia Jain & Co.**

*Chartered Accountants*

**Sampat Khurdia**

*Partner*

**Mem. No. 33615**

Place : Mumbai  
Date: 6<sup>th</sup> May, 2014

**For and on behalf of the Board of Directors**

**Sunil Goyal**  
*Managing Director*

**Deepak Ladha**  
*Executive Director*

**Harsha Saksena**  
*Executive Director*

**Tulsi Daryanani**  
*Company Secretary*

Place : Mumbai  
Date: 6<sup>th</sup> May, 2014

# FINANCIAL HIGHLIGHTS OF SUBSIDIARY COMPANIES FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

(Amount in ₹)

Name of the Subsidiary Company	Ladderup Corporate Advisory Private Limited	Ladderup Wealth Management Private Limited	Ladderup Insurance Broking Private Limited
Capital	2,900,000	2,000,000	5,000,000
Reserves & Surplus	65,721,157	3,108,244	(3,723,257)
Total Assets	94,694,347	9,030,781	1,947,349
Total Liabilities	94,694,347	9,030,781	1,947,349
<b>Investment:-</b>			
Long Term	20,000,000	—	—
Current	—	—	—
<b>Total</b>	<b>20,000,000</b>	<b>—</b>	<b>—</b>
Turnover	53,936,031	21,842,848	665,490
Profit/(Loss) Before Taxation	(7,037,786)	280,178	(234,130)
Provision for Taxation	(1,849,125)	67,104	9,533
Profit/(Loss) After Taxation	(5,188,661)	213,074	(243,663)
Dividend (Including Dividend Distribution Tax)	—	—	—

Date : 6<sup>th</sup> May, 2014  
Place : Mumbai

**For and Behalf of the Board**

Regd. Office : 102-A, 1<sup>st</sup> Floor, Hallmark Business Plaza,  
Gurunanak Hospital Road,  
Bandra (East), Mumbai-400 051

**Sunil Goyal**  
DIN: 00503570  
**(Managing Director)**



# LADDERUP FINANCE LIMITED

(CIN : L67120MH1993PLC074278)



**Ladderup**  
*Engineering Growth*

Dear Shareholders,

## **Sub.: Green Initiative – Registration of E-mail Address**

This is to inform that as a part of “Green Initiative in the Corporate Governance”, the Ministry of Corporate Affairs (MCA) vide its circular nos. 17/2011 and 18/2011 dated 21.04.2011 and 29.04.2011, respectively; has permitted the Companies to serve the documents viz. Annual Reports, Notices of General Meetings / Postal Ballot, other documents etc. to the Members through the electronic mode.

In order to support this “Green Initiative”, we are pleased to serve you the above referred documents and also any other documents as specified by MCA from time to time through the electronic mode. This will also ensure prompt receipt of communication and avoid loss in postal transit.

We therefore request you to register your e-mail address and / or changes therein from time to time with the Company’s Registrar & Transfer Agent (R & T Agent) viz. Sharex Dynamic (India) Private Limited at Unit 1, Luthra Industrial Premises, 1st Floor, 44-E, M Vasant Marg, Andheri Kurla Road, Andheri (East), Mumbai-400 072, in case you are holding shares in physical mode by filling up the form appearing on reverse of this communication and with your Depository Participant (DP), in case you are holding shares in dematerialised mode.

In case you require physical copies of Annual Reports and other documents, you may send an email at [info@ladderup.com](mailto:info@ladderup.com) or write to the Company’s R & T Agent by quoting the name of first/sole shareholder, Folio No. /DP ID and Client ID. The above documents will be sent to you free of cost.

We request your wholehearted support to this “Green Initiative” by opting the electronic mode of communication for its successful implementation.

Thanking you and assuring you of our best attention at all times.

Date : 11<sup>th</sup> August, 2014  
Place : Mumbai  
Regd. Office : 102-A, 1<sup>st</sup> Floor, Hallmark Business Plaza,  
Gurunanak Hospital Road,  
Bandra (East), Mumbai-400 051

**For Ladderup Finance Limited**

Sunil Goyal  
DIN: 00503570  
**(Managing Director)**

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## REGISTRATION OF E-MAIL ADDRESS FORM

(In terms of Circular Nos. 17/2011 and 18/2011 dated 21.04.2011 and 29.04.2011, respectively issued by Ministry of Corporate Affairs)

### Sharex Dynamic (India) Private Limited

Unit 1, Luthra Industrial Premises, 1st Floor,  
44-E, M Vasant Marg, Andheri Kurla Road,  
Andheri (East), Mumbai-400 072.

I/We Shareholder(s) of Ladderup Finance Limited hereby accord my/our approval to receive documents viz. Annual Reports, Notices of General Meeting /Postal Ballot and such other documents that Ministry of Corporate Affairs may allow, to be sent in the electronic mode.

I/We request you to note my/our latest email address, as mentioned below. If there is any change in the e-mail address. I/We will promptly communicate the same to you. I/We attach the self attested copy of PAN Card / Passport towards identification proof for the purpose of verification.

Folio No.	
Name of the First/Sole Shareholder	
Name of the Joint Shareholder(s) if any	
Registered Address	
E-mail Address (to be registered)	

Place:

Date:

\_\_\_\_\_  
(Signature of Shareholder/s)

Note: This form is available on Company's website [www.ladderup.com](http://www.ladderup.com)

**TEAR HERE**

(For Shares in dematerialised mode)

You are requested to register your E-mail address and/or changes therein from time to time with your Depository Participant.

TEAR HERE



## ELECTRONIC CLEARING SERVICE (ECS) MANDATE FORM

### Ladderup Finance Limited

102-A, 1<sup>st</sup> Floor, Hallmark Business Plaza,  
Gurunanak Hospital Road,  
Bandra (East), Mumbai-400 051

Dear Sirs

### FORM FOR ELECTRONIC CLEARING SERVICES FOR PAYMENT OF DIVIDEND

Please fill in the information in CAPITAL LETTERS in ENGLISH ONLY.

#### For Shares held in physical form

##### Master Folio

--	--	--	--	--	--	--	--

#### For Shares held in electronic form

##### D.P. ID

--	--	--	--	--	--	--	--

##### Client ID

--	--	--	--	--	--	--	--

#### Name of the Shareholder(s)

#### Bank Name

#### Branch Name

#### Branch Code

--	--	--	--	--	--	--	--	--

9-Digit Code Number of the Bank appearing on the MICR  
Cheque issued by the Bank

Account Type  
(Please Tick ( )  
wherever applicable

I / We hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information, I / We shall not hold the Company responsible. I also undertake to advise changes, if any in the particular of my account to facilitate updation of records for purposes of credit of dividend amount through ECS.

I further undertake to inform the Company any change in my Bank/Branch and Account Number.

**Date:**

**Signature of the Shareholder(s)**

**Note:**

1. Whenever the shares in the given folio are entirely dematerialised, then this ECS mandate form will stand rescinded.
2. For shares held in dematerialised mode nomination is required to be filled with the Depository Participant in their prescribed form.

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## LADDERUP FINANCE LIMITED

A-102, Hallmark Business Plaza, Gurunanak Hospital Road, Bandra - East

Website: [www.ladderup.com](http://www.ladderup.com), Email: [info@ladderup.com](mailto:info@ladderup.com)

(CIN : L67120MH1993PLC074278)

Phone: +91 040336363, Fax: +91 040336364

### 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 21<sup>st</sup> Annual General Meeting of the Company at Hotel Mirage, International Airport Approach Road, Marol, Andheri (East), Mumbai-400 059 to be held at 4.00 p.m. on Saturday the 27<sup>th</sup> September, 2014.

Signature of Member/Joint

Member/Proxy attending the meeting

Note: The practice of distributing copies of 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.

**PROXY FORM**

**LADDERUP FINANCE LIMITED**

A-102, Hallmark Business Plaza, Gurunanak Hospital Road, Bandra - East

Website: www.ladderup.com, Email: info@ladderup.com

(CIN : L67120MH1993PLC074278)

Phone: +91 040336363, Fax: +91 040336364

Name of the member(s):

Registered address:

e-mail Id:

Folio No/ \*Client Id:

\*DP Id:

I/We, being the member(s) of \_\_\_\_\_ shares of LADDERUP FINANCE LIMITED, hereby appoint:

1. \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him
2. \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him
3. \_\_\_\_\_ of \_\_\_\_\_ having e-mail id \_\_\_\_\_ or failing him

and whose signature(s) are appended below as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21st Annual General Meeting of the Company, to be held on Saturday, 27<sup>th</sup> September, 2014 at 4 p.m at Hotel Miraj, International Airport Approach Road, Marol, Andheri (East), Mumbai-400 059 and at any adjournment(s) thereof in respect of such resolutions as are indicated below:

\*\* I wish my above Proxy to vote in the manner as indicated in the box below:

No.	Resolutions	For	Against
1.	To receive, consider and adopt the Audited Balance Sheet as at 31 <sup>st</sup> March 2014 the Profit and Loss Account for the period ended on that date and the Reports of the Board of Directors and Auditors thereon.		
2.	To declare dividend on Equity Shares for the year ended 31 <sup>st</sup> March 2014.		
3.	To appoint a Director in place of Mr. Manoj Singrodia (DIN:01501529), who retires by rotation and, being eligible, offers himself for re-appointment.		
4.	To approved the vacancy caused by the retirement by rotation of Mr. T. B. Subramaniam (DIN: 01192744) who has conveyed in writing to the Company his unwillingness to offer himself for re-appointment, be not filled up		
5.	To appoint M/s. Khurdia Jain & Co, Chartered Accountants, Mumbai (Firm Registration No. 120263W) as statutory auditors of the Company to hold office from the conclusion of ensuing meeting until the conclusion of the next Annual General Meeting on such remuneration as shall be fixed by the Board of Directors.		

TEAR HERE

No.	Resolutions	For	Against
6.	To appoint Mr. K. V. S. ShyamSunder (DIN: 00502621), as an Independent Director for a fix term of 5 years upto 31 <sup>st</sup> March, 2019.		
7.	To appoint Mr. K. Raghuraman (DIN:00320507), as an Independent Director for a fix term of 5 years upto 31 <sup>st</sup> March, 2019.		
8.	To appoint Mr. Alasdair Nisbet (DIN:00504851), as an Independent Director for a fix term of 5 years upto 31 <sup>st</sup> March, 2019.		
9.	To adopt Adoption of New Articles of Associations of the Company containing Regulations in conformity with the Companies Act, 2013.		
10.	To approve the change of name of the Company:		

Affix a  
Re. 1/-  
Revenue  
Stamp

Signed this..... day of.....2014

Signature of shareholder

Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

#### NOTES:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
2. A Proxy need not be a member of the Company.
3. Applicable for investors holding shares in electronic form.
4. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
5. This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
6. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
7. In the case of jointholders, the signature of any one holder will be sufficient, but names of all the jointholders should be stated.

TEAR HERE



**Ladderup**  
*Engineering Growth*

**REGISTERED OFFICE**

102-A, 1st Floor, Hallmark Business Plaza, Gurunank Hospital Road,  
Bandra (East), Mumbai-400 051

Website: [www.ladderup.com](http://www.ladderup.com) | E-mail: [info@ladderup.com](mailto:info@ladderup.com)

CIN : L67120MH1993PLC074278

Tel: +91 22 4033 6363 | Fax: 4033 6364