

**Ladam Finance
Limited**

34th Annual Report

2012-13

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 31ST ANNUAL GENERAL MEETING OF LADAM FINANCE LIMITED WILL BE HELD AT THE CORPORATE OFFICE AT LADAM HOUSE, M ROAD, W I E, THANE ON 30TH SEPTEMBER, 2013 AT 4.00 P.M. TO TRANSACT THE FOLLOWING BUSINESS :

ORDINARY BUSINESS :

- (1) To receive, consider and adopt the Audited Balance Sheet and Profit & Loss Account made for the period ended 31ST March, 2013 together with Auditors' and Directors' Report thereon.
- (2) To appoint Auditors M/s. Chaturvedi & Chaturvedi Chartered Accountants , Mumbai who has conveyed their willingness to continue as the auditor of the company to audit the books of accounts for the year ended 30th March, 2014 and authorize Directors to Fix their remuneration.
- (3) To appoint a director in place of Mr. Jayaprasad Pillai who retires by rotation and being eligible, offers himself for re-appointment.

ON BEHALF OF THE BOARD OF DIRECTORS

Place : Mumbai

Date : 2nd September, 2013


Mr. Sumesh B. Agarwal

Director

DIN: 00325063


Mr. Jayaprasad Pillai

Director

DIN: 01560300

**NOTE :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT PROXY OR PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

DIRECTORS REPORT

TO,

The All Members,

The Directors have pleasure in presenting the 31th Annual Report and Audited Accounts for the year ended March 31, 2013.

1. FINANCIAL RESULTS :	Rupees
Loss Before Tax	49,653
Provision For Tax	NIL
Loss After Tax	49,653

2. DIVIDEND:

In absence of divisible profits, the Directors have decided not to recommend any dividend for the financial year 2012-2013.

3. DIRECTORS:

Shri Jayaprasad Pillai retires at the forthcoming Annual General Meeting and being eligible offers himself for reappointment.

4. AUDITORS:

M/S. Chaturvedi & Chaturvedi Chartered Accountants, Mumbai, Auditors of the Company retire at the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

5. PARTICULARS OF EMPLOYEES:

The information required under section 217(2A) of the Companies act, 1956 read with the (Particulars of Employees) Rules 1975, as amended is not given as the same is not applicable to the company.

6. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

Being a Finance Company, there are no particulars furnished in this report as required under section 217 (1) (e) of the Companies Act, 1956, relating to conservation of energy and technology absorption. There was no foreign exchange earning or outgo during the year.



7. DEPOSITS:

The Company has complied with the provisions of section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public.

8. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibilities Statement, it is hereby confirmed:

- i. that in the preparation of the annual accounts for the financial year ended 31st March, 2013, the applicable accounting standards have been followed along with proper explanation relating to material departures:
- ii. that the directors had selected such accounting policies and adopted them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review:
- iii. that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets & for preventing and detecting fraud and other irregularities:
- iv. that the directors had prepared the accounts for the financial year ended 31st march, 2013 on a "Going Concern" basis.

9. ACKNOWLEDGEMENT:

The Board wishes to acknowledge the sincere services rendered by all the staff members for enhancing performance of the company, and to the valued clients, bankers and shareholders.

PLACE: THANE
DATE: 02.09.2013

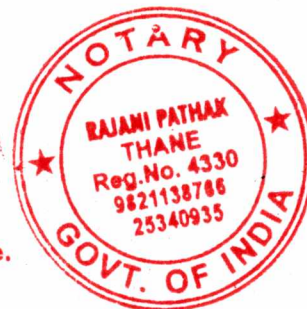
FOR AND ON BEHALF OF
THE BOARD OF DIRECTORS


SUMESH AGARWAL
DIRECTOR



TRUE COPY
ATTESTED BY ME


Rajani Pathak
B.Sc., LL.M.
NOTARY & ADVOCATE
1st Floor, Vision Business Centre,
Bhiwandiwala Terrace,
Adjacent to Court, Thane
Ph.: 25340935 9821138766, 9930538768



MANAGEMENT DISCUSSION AND ANALYSIS

The management has vision, experience and resources more efforts are put to recover the old dues and settling with parties to maintain cordial relations.

The avenues of resources of funds shall be explored by the managements and there is bright hope to turn around the Company with new objects of business.

FUTURE PROSPECTS

Indian economy is marching ahead and is the third largest economy in the world. The growth in GDP is likely to be in double figures. In this scenario, the need of the hour is expeditious development of infrastructure as delivery systems have to keep pace with the other sectors of the economy. Thus infrastructure including commercial is bound to grow at least at twice the rate of growth in GDP.

OPPORTUNITIES AND THREATS

OPPORTUNITIES

Your management has committed to turnaround the company and makes it profitable at an early date by their sincere efforts, business acumen, experience.

THREATS

SEGMENT WISE PERFORMANCE

The Company has mainly one reportable business segment; hence no further disclosure is required under Accounting Standard (AS) 17 on segment reporting.

OUTLOOK, RISKS AND CONCERNS

The managements have positive outlook of the Company. The new management explores the resources of funds by infusing further capital or long-term borrowings. Barring unforeseen circumstances, management is confident that performance of the Company would improve in the years to follow.

INTERNAL CONTROL SYSTEMS

The Company has adequate Internal Control systems, which provide, inter- alia, reasonable assurance of recording the transactions of its operations in all material respects and providing protection against misuse or loss of Company assets.

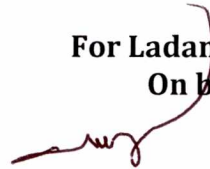
HUMAN RESOURCES

The management shall create policy of Human Resources to achieve biggest advantage to the Company for turnaround. The Company plans with prudent knowledge management leading to enhanced skills and capabilities and market ability to promote business in the current time. The Company shall evaluate performance management system, which reinforces its work ethics and results in profitability to enhance the shareholders value.

CAUTIONARY STATEMENT

The statements made in this report describe the Company's objectives, expectations and projections that may be forward looking statements. The actual results might differ materially from those expressed or implied depending on the economic conditions, government policies and other incidental factors, which are beyond the control of the Company and Management.

**For Ladam Finance Limited and
On behalf of the Board**



Mr. Sumesh B. Agarwal
Director
DIN: 00325063



Mr. Jayaprasad Pillai
Director
DIN: 01560300



Date: 2nd September, 2013
Place: Thane

Corporate Office: Ladam House, C-33, Opp. ITI, Wagle Industrial Estate, Thane (W) - 400604.

Registered office: 910 9th Floor Rahejachambers Backbay, Reclamation Nariman Point, Mumbai - 400021

CORPORATE GOVERNANCE REPORT FOR THE YEAR 2012-13

(As required under Clause 49 of the Listing Agreement with the Stock Exchange)

I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

LADAM FINANCE LIMITED believes that transparent accounting policies, appropriate disclosure norms, best-in-class Board practices and consistently high standards of corporate conduct towards its stakeholder are essential for sustained corporate growth.

Corporate governance is about commitment to values and ethical business conduct. The report on the Corporate Governance is to fulfill this commitment.

Our governance philosophy is based on the following:-

1. Management is the trustee of the shareholders capital and not the owner.
2. Provide an enabling environment to harmonise the goals of maximizing stakeholders value and maintaining a customer centric focus.
3. Have a simple and transparent corporate structure driven solely by business needs.
4. Communicate externally, in a truthful manner, about how the Company is running internally.
5. Make clear distinction between personal conveniences and corporate resources.
6. Be transparent and maintain a high degree of disclosure levels in all facets of its operations.
7. Satisfy the spirit of the law and not just the letter of the law.

The Company's philosophy on Corporate Governance is thus concerned with the ethics, values and morals of the Company and its Directors, who are expected to act in the best interests of the Company and remain accountable to shareholders and other beneficiaries for their action.

Your Board of Directors presents the Corporate Governance Report for the year 2012-2013

II. BOARD OF DIRECTORS

The Board of Directors along with its Committees provide leadership and guidance to the Company's management and direct, supervise and control the performance of the Company.

As on date of this report the strengths of the Board are 3(Three) Directors whose composition along with personal details are given below:

Name of Directors Category	Category	Relationship With Each Other	No. of Shares held
Mr. Sumesh b Agarwal	Director	Son	2197900
Mr. B.B.Agarwal	Director	Father	3148500
Mr. Jayaprasad Pillai	Director	N.A.	Nil

The following table gives the attendance of the Directors at Board meetings / Last AGM of the Company and also other directorship other than the Company and Chairmanship/Membership in Board Committees of public limited companies:

During the financial year under review, 4 (Four) Board Meetings were held on the following dates 07.07.2012, 08.10.2012, 07.01.2013 and 08.04.2013.

Name of the Director	No. of Board Meeting Attended	Whether Last AGM Attended held on 29.09.2012 (Yes / No)	No. of Directorship in other Public Limited companies	No. of Membership Chairmanship in other Public Limited companies	
				Member	Chairman
Mr. Sumesh b Agarwal	4	Yes	Spearhead Metals & Alloys Limited. , Lacon India Limited, Ladam Flora Limited, Ladam Homes Limited, Ladam Steel Ltd. Ladam Foods Ltd.,	2	2
Mr. B.B.Agarwal	4	Yes	Spearhead Metals & Alloys Limited. , Lacon India Limited, Ladam Flora Limited, Ladam Homes Limited, Ladam Steel Limited, Ladam Foods Limited	2	0

Mr. Jayaprasad Pillai	4	Yes	Spearhead Metals & Alloys Limited. , Lacon India Limited, Ladam Flora Limited, Ladam Homes Limited, Ladam Steel Ltd. Ladam Foods Ltd.,	2	0
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1. Only Directorship in Public Limited Companies (listed or unlisted) have been considered.
2. None of the Directors is a member of more than 10 Board level Committees of Public Companies in which they are Directors nor is Chairman of more than 5 such Committees.
3. In accordance with Clause 49, Membership / Chairmanship includes Audit Committees and Shareholder's / Investor's Grievance Committees of all Public Limited Companies.

Board Procedures:

The Board has unfettered and complete access to any information within the Company which includes following information as specified in Annexure IA to the Clause 49 of the Listing Agreement mainly:

1. Annual budgets, operating plans and budgets and capital budgets,
2. Quarterly, half yearly and annual results of the Company and its operating divisions or business segments along with
3. Minutes of meetings of the Audit committee and other committee(s) of the Board,
4. Details of any joint venture or collaboration agreement,
5. Investment of funds of the Company,
6. Status on legal cases,
7. Approval of related party transactions,
8. Compliance reports of laws applicable to the Company,
9. Risk management reports and presentations made by the senior management,
10. Disclosures made by the senior management personnel as to all material financial and commercial transactions,
11. Where they have personal interest, and
12. All other information which is relevant for decision making by the Board.

III COMMITTEES OF THE BOARD:

A. Audit Committee:

Terms of reference and role of Audit Committee:

The Audit Committee at the Board level with powers and role that are in accordance with Section 292A of the Companies Act, 1956 and Clause 49 (II) (D) and (E) of the Listing Agreement. The Audit Committee of the Company supported by professional, inter-alia, provides reassurance to the Board on the effective internal control and compliance that ensures:

1. Reviewing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
2. Recommending the appointment and removal of Internal / External Auditor, fixation of Audit fee and also approval for payment for any other expenses;
3. Reviewing with management the Annual/Half-yearly/ Quarterly financial statements before submission to the Board;
4. Reviewing with management, external and internal Auditors, the adequacy of the internal control systems;
5. Reviewing the adequacy of Internal Audit function, including reporting structure coverage and frequency of Internal Audit;
6. Discussion with External Auditors before the Audit, nature and scope of Audit, any significant findings and follow up thereon as well as post-Audit discussion to ascertain any area of concern;
7. Reviewing the findings of any internal investigations by Internal Auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
8. Related party transactions;
9. To review the matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act,1956;
10. To review the Management discussion and analysis of financial condition and results of operations;
11. To recommend re-appointment of Statutory Auditors and to fix their remuneration.

During the financial year under review, 4 (Four) Audit Committee Meetings were held on the following dates 07.07.2012, 08.10.2012, 07.01.2013 and 08.04.2013. The gap between two Audit Committee meetings was not more than 4 months, in compliance with the requirements of Listing Agreement. The Minutes of the meeting of Audit Committee are discussed and taken note by the Board of Directors

The Composition of the Audit Committee as on 31st March, 2013 and the attendance of the members at the Meetings held are as follows:

Name of the Member	Category	Status	No. of Meetings attended
Mr. Sumesh b Agarwal	Director	Chairman	4
Mr. B.B.Agarwal	Director	Member	4
Mr. Jayaprasad Pillai	Director	Member	4

B. Remuneration Committee

The purpose of the Remuneration Committee shall be to discharge the Board's responsibilities relating to formulation of compensation plans and policies of the Company's Directors, to have a credible and transparent policy in determining and accounting for the remuneration of the Directors and to bring about objectivity in determining the remuneration package while striking a balance between the interest of the company and the shareholders.

During the financial year under review, the Company was not required to held any Remuneration Committee Meetings as they have not recommended any remuneration to any Directors of the Company.

The Composition of the Remuneration Committee as on 31st March, 2013 and the attendance of the members at the Meetings held are as follows:

Name of the Member	Category	Status	No. of Meetings attended
Mr. Jayaprasad Pillai	Director	Member	4
Mr. Sumesh Agarwal	Director	Chairman	4
Mr. B.B. Agarwal	Director	Member	4

C. Shareholders'/Investors' Grievance Committee:

The Committee has the mandate to review, redress shareholders' grievances, to approve all share transfers.

The functions of the Shareholders'/Investors' Grievance Committee include the following:

- Transfer /Transmission of shares,
- Issue of duplicate share certificates,
- Monitors expeditious redressal of investors' grievances,
- Non receipt of Annual report,
- All other matters related to shares.

During the financial year under review, 4 (Four) Shareholders'/Investors' Grievance Committee Meetings were held on the following dates 07.07.2012, 08.10.2012, 07.01.2013 and 08.04.2013.

The Composition of the Shareholders'/Investors' Grievance Committee as on 31st March, 2013 and the attendance of the members at the Meetings held are as follows:

Name of the Member	Category	Status	No. of Meetings attended
Mr. Jayprasad Pillai	Director	Member	4
Mr. Sumesh Agarwal	Director	Chairman	4
Mr. B.B. Agarwal	Director	Member	4

No Complaint was pending at the beginning of the year and the Company did not received any complaint during the year under review from the shareholders. No any share transfer was pending as on 31st March, 2013.

IV. General Body Meetings:

Location, date and time of General Meetings held during the last 3 years:

Financial Year	Day, Date and Time	Location	No. of Special Resolutions Passed
2009-2010	Thursday, 30.09.2010, 4.00 PM.	Ladam House, C-33, Opp. ITI, Wagle Industrial Estate,. Thane (W) - 400604.	Nil
2010-2011	Friday, 30.09.2011, 4.00 PM.	Ladam House, C-33, Opp. ITI, Wagle Industrial Estate,. Thane (W) - 400604.	Nil
2011-2012	Saturday, 29.09.2012, 4.00 PM.	Ladam House, C-33, Opp. ITI, Wagle Industrial Estate,. Thane (W) - 400604.	Nil

Postal Ballot: During the year, no special resolution was passed through postal ballot. The provisions relating to postal ballot will be complied as per the provisions of the Companies Act, 1956 as and when situation arise. Similarly, no business is required to be transacted through postal ballot at the forthcoming Annual General Meeting.

V. DISCLOSURES:

1. During the financial year 2012-13, there were no transactions of material nature with the Directors or the management or relatives that had potential conflict with the interest of the Company. Further, details of related party disclosures are presented at Note No. 23-V of the Financial Statements forming part of the Annual Report. All related party transactions are negotiated at arms and length basis and are intended to further the interests of the Company.
2. 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.
3. The Company has a process in place that meets the objectives of the whistle blower policy. The Board reviews the findings and action taken on matters initiated through this mode. In the opinion of the Board there are no cases where a person was denied access to the grievance process set up by the Company.
4. The Company has been providing the Chairman of the Company with the resource required to implement his role.
5. During the year no amounts were transferred to the Investor Education and Protection Fund.
6. Adoption of non mandatory requirements under Clause 49 of the Listing Agreement are being reviewed by the Board from time to time.

Code of Conduct:

The Board of Directors has adopted the Code of Business Conduct and Ethics for Directors. The code is being reviewed from time to time by the Board. The said Code has been communicated to the Directors of the Company.

Trading in the Company's shares by Directors and designated employees:

In compliance with the SEBI (Prevention of Insider Trading) Regulations 1992, the Company has appointed Ms. Sugandha Rane, as the Compliance Officer. The Company has adopted a code of conduct for prevention of insider trading.

VI GENERAL SHAREHOLDER INFORMATION

AGM Day, date, time and venue	:	Monday, 30 th September, 2013 Ladam House, C-33, Opp. ITI, Wagle Industrial E state, Thane (W) - 400604.
Financial Calendar	:	April 2012 to March 2013
Results for the First Quarter ending on 30 th June 2012	:	Second Week of July, 2012
Results for the Second Quarter ending on 30 th September 2012	:	Second Week of October, 2012
Results for the Third Quarter ending on 31 st December 2012	:	Second Week of January, 2013
Results for the Forth Quarter ended on 31 st March, 2013	:	Second Week of April, 2013
Date of Book Closure	:	21.09.2013 to 30.09.2013 (Both Day Inclusive)
Listing on Stock Exchanges	:	Mumbai (Compulsory delisting 2/7/2004) Delhi (Suspended, dtd, 16.04.196) Ahmedabad (Suspended) & Calcutta(Suspended)
Scrip Code	:	530101, Not Available, 32085 & 22019 respectively.
Registrar & Transfer Agent	:	Not .Appointed.

Share Transfer system:

The shares lodged for transfer are approved by Share Transfer and Investor Grievance Committee. Shares sent for transfer in physical form are registered and returned within a maximum period of 30 days from the date of receipt, subject to documents being valid and complete in all respects.

Correspondence regarding change in Address:

Members are requested to address all correspondences, including dividend matters, to the Company.

CATEGORIES OF SHAREHOLDERS AS ON 31/03/2013

Category	No. of Shares held	Voting Strength (%)
Promoters, Relatives & Associate companies	5374300	58.72 %
Public	3747900	40.95 %
NRI/FII's/OCB	Nil	Nil
Banks and Mutual Funds	Nil	Nil
Domestic Companies (including Financial Institutions)	30100	0.33 %
Total	9152300	100 %

Shareholding pattern as on 31st March 2013

Category	No. of Shareholders	% of Total Shareholders	No. of shares held	Share Amount	% of total
1 - 5000	2568	96.29	1633700	16337000	17.85
5001 - 10000	18	0.67	127100	1271000	1.39
10001 - 20000	29	1.09	462100	4621000	5.05
20001 - 30000	29	1.09	689100	6891000	7.53
30001 - 40000	8	0.30	284400	2844000	3.11
40001 - 50000	12	0.45	556400	5564000	6.08
50001 - 100000	1	0.04	53100	531000	0.58
100001 - *****	2	0.07	5346400	53464000	58.42
Total	2667	100.00	91,52,300	91523000	100.00

Dematerialization of shares and Liquidity	:	N.A
Outstanding ADR/GDR/ Warrants or any Convertible Instruments, conversion dates and likely impact on equity.	:	N.A.
Plant Location	:	Not Applicable
Address for correspondence	:	Ladam House, C-33, Opp. ITI, Wagle Industrial Estate, Thane (W) - 400604.

Declaration of Code of Conduct


As per Clause 49(I)(D) all the Board Members and Senior Management Personnel have affirmed compliance with the code.

For Ladam Finance Limited and
On behalf of the Board



Date: 2nd September 2013

Place: Thane


Mr. Sumesh B. Agarwal
Director
DIN: 00325063

Mr. Jayaprasad Pillai
Director
DIN: 01560300

CEO/ CFO CERTIFICATE

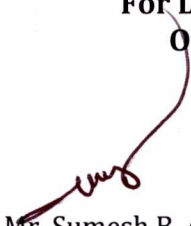
In terms of the requirement of Clause 49 of the Listing Agreement with the Stock Exchange, the certificates from CEO/CFO have been obtained.


For Ladam Finance Limited and
On behalf of the Board



Date: 2nd September 2013

Place: Thane


Mr. Sumesh B. Agarwal
Director
DIN: 00325063


Mr. Jayaprasad Pillai
Director
DIN: 01560300

**Declaration by the Director under clause 49 of the Listing agreement
regarding compliance with Code of Conduct**



In accordance with Clause 49 1(D)(ii) of the Listing Agreement with the Stock Exchange, We hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the Financial year ended 30th March, 2013.

For Ladam Finance Ltd.



Mr. Sumesh b Agarwal
Director

For Ladam Finance Ltd.



Mrs. Sajani Pradeep
Manager-Accounts & Finance

Thane, 2nd day of September, 2013

Certification by Director and Senior Management Officer Pursuant to
Clause 49 of the Listing Agreement

We, Mr. Sumesh B Agarwal , Director and, Mr. Jayaprasad Pillai , Manager- Accounts & Finance, in our capacity as Senior Management Executive respectively of the Company hereby certify that:

1. We have reviewed financial statements and the cash flow statement for the year ended 30th March 2013 and that to the best of our knowledge and belief:
 - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading ;
 - b) 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.
2. 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 in violation of the Company's Code of Conduct.
3. We accept responsibility for establishing and maintaining internal controls for the financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting 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.

We have indicated to the Auditor's and the Audit committee:

- a) significant changes in internal control over financial reporting during the year ;
- b) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements ; and
- c) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Ladam Finance Ltd.



Mr. Sumesh b Agarwal
Director

For Ladam Finance Ltd.



Mrs. Sajani Pradeep
Manager-Accounts & Finance

Thane, 2nd day of September, 2013



CHATURVEDI & CHATURVEDI
CHARTERED ACCOUNTANTS

215, Laxmi Plaza, Laxmi Industrial Estate, New Link Road, Andheri (W), Mumbai - 400 053.
Mob.: 98705 28687 • Email: ipnco@yahoo.com

INDEPENDENT AUDITOR'S REPORT

To,
The Members of Ladam Finance Limited.

Report on the Financial Statements

We have audited the accompanying financial statements of Ladam Finance Limited („the Company“) which comprise the Balance Sheet as at 31 March 2013, 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 Flow of the Company in accordance with the Accounting Standards referred to in section 211(3C) of the Companies Act, 1956 („the Act“). 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 the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the 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 the appropriateness of the 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 aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the balance sheet, of the state of affairs of the Company as at 31 March 2013
- (ii) in the case of the statement of profit and loss, of the loss of the company for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the Cash Flow for the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the companies Act 1956, the statement on the matter specified in paragraphs 4 and 5 of the said Order is annexed hereto.

2. As required by section 227(3) of the Act, we report that:
- a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account, as required by law have been kept by the Company, so far as appears from our examination of such books;
 - c. The Balance Sheet, and Profit and Loss account referred to in this Report are in agreement with the books of account;
 - d. In our opinion, the profit and loss account and balance sheet comply with the mandatory Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956, so far as appears from examination of such books.
 - e. On the basis of written representations received from the directors as on 31 March 2013, and taken on record by the Board of Directors, we report that none of the directors of the company is disqualified from being appointed as a director under of clause (g) of sub-section (1) of section 274(1) of the Companies Act, 1956.

For CHATURVEDI&CHATURVEDI
Chartered Accountants

I.P. Mehta

I.P. MEHTA
(Partner)
M.NO. 034609
Firm Registration No.101718W
Place: Mumbai
Dated: 02.09.2013



ANNEXURE TO THE AUDITOR'S REPORT

The Annexure referred to in our report to the Members of Ladam Finance Limited ("the Company") for the year ended March 31, 2013, we report that:

- 1.1 The Company is maintaining proper records showing full particulars, including quantitative details situation of fixed assets.
- 1.2 There is a regular program of verification, which in our opinion, is reasonable having to the size company and the nature of its assets. As explained to us, no material discrepancies were noticed on verification.
- 1.3 During the year, Company has not disposed of any substantial/major part of Fixed Assets.
- 2.1 The management has conducted physical verification of inventory at reasonable Intervals. In our opinion, the frequency, of verification is reasonable.
- 2.2 In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventory followed by the management were found reasonable and adequate in relation to the size of the company and the nature of its business.
- 2.3 In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of inventory, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory of inventory as compared to the books of records are not material and have been properly dealt with in the books off accounts.
- 3.1 The company has not granted or taken any loans, secured or unsecured to or from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of sub-Clause (b), (c), (d), (e), (f) and (q) of sub-paragraph (iii) of paragraph 4 of the order is not applicable.
- 4.1 In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and nature of its business with regard to the purchase of inventory and Fixed Assets and sale of goods and Services. During the course of our audit, no major weakness has been noticed in the internal controls.



- 5.1 In our opinion and according to the information and explanation given to us, there were no transactions with any party that needed to be entered in the register maintained in pursuance of section 301 of the Companies Act, 1956. As there are no Act, 1956 Sub-clause (b) of sub-Para (v) of the order is not applicable.
- 6.1 In our opinion and according to the information and explanation given to us the company has not accepted any deposits from the public within the meaning of section 58 A and 58 AA and any other relevant provision of the Companies Act ,1956.
- 7.1 In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
- 8.1 The Central Government has not prescribed maintenance of cost records under section 209(1) of the Companies Act, 1956, hence we have no comments to make.
- 9.2 According to the records of the company and information and explanations given to us, the company has been generally in depositing undisputed statutory dues with the appropriate authorities during the year. According to information and explanations give to us, there are no arrears of outstanding statutory Dues as at 31st March, 2013 for a period of more than six months from the date they become Payable.
- 10.1 The company has accumulated losses, as at the end of the year, which is not more that 50% of its net worth as on 31st march, 2013. The company has incurred cash losses in the current year.
- 11.1 Based on our audit procedure and on the basis of information and explanations give by the management, we are of the opinion that they have not availed any loans from financial Institutions and banks, hence we have no comments to make.
- 12.1 According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of share, debentures and other securities.
- 13.1 In our opinion and according to the information and given to us, The nature of activities of the company does not attract any Special Status applicable to chit fund, nidhi or mutual benefit fund / societies.
- 14.1 The company is not dealing or trading in shares, securities or any other investments.
- 15.1 According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.



- 16.1 The Company has not raised any new term loan during the year.
- 17.1 According to the information and explanation given to us, on an overall examination of the balance sheet and the cash flow statement of the company, we report that funds raised on short term basis have, prima facie, not been used during the year for long term investment.
- 18.1 The Company has not made any preferential allotment to parties and Companies covered under Register maintained under section 301 of the companies Act, 1956.
- 19.1 The company did not issue any Debentures during the year.
- 20.1 During the period covered by our audit report, the Company has not raised any money by public issue
- 21.1 Based on the audit procedures performed and as per the Information and explanations given by the management, no fraud on or by the Company was noticed or reported during the year.

For CHATURVEDI&CHATURVEDI
Chartered Accountants

I.P. Mehta

I.P.MEHTA
(Partner)
M.NO. 034609
Firm Registration No.101718W



Place: Mumbai
Dated: 02.09.2013

**TRUE COPY
ATTESTED BY ME**

Rajani Pathak
B.Sc., LL.M.
NOTARY & ADVOCATE
1st Floor, Vision Business Centre,
Bhiwandiwala Terrace,
Adjacent to Court, Thane,
Ph.: 25340935 9821138766, 9930538768



LADAM FINANCE LIMITED
Balance Sheet as at 31-03-2013

	Notes	31/03/2013 (in Rs.)	31-03-2012 (in Rs.)
1. EQUITY AND LIABILITIES			
1. Shareholders Fund			
Share Capital	1.00	91,523,000	91,523,000
Reserves & Surplus	2.00	9,487,848	9,537,501
		101,010,848	101,060,501
2. Non-current Liabilities			
Long Term borrowings	3.00	101,102,250	98,712,585
3. Current Liabilities			
Short Term Provisions	4.00	-	-
Other Current Liabilities		644,843	644,972
		644,843	644,972
Total		202,757,941	200,418,058
ASSETS			
Non-current Assets			
Fixed Assets			
Tangible Assets	5.00	52,298,402	52,298,402
In-Tangible Assets		2,018,191	2,018,191
		54,316,593	54,316,593
Non-current investments	6.00	26,342,557.00	24,726,415.00
Current Assets			
Inventories	7.00	3,104,256.00	1,498,818.00
Trade Receivables	8.00	-	-
Cash and Cash Equivalents	9.00	51,662.00	88,918.00
Other Current Assets	10.00	118,942,873.00	119,787,314.00
		122,098,791.00	121,375,050.00
Total		202,757,941	200,418,058

Significant Accounting Policies

The accompanying notes are an integral part of the financial statements

For CHATURVEDI & CHATURVEDI
Chartered Accountants
F.R.N.101718W

I.P. Mehta
Name: I.P. MEHTA
Membership no: 34609
Place: Mumbai
Dated: 02/09/2013



For Ladam Finance Limited

[Signature]
Director

[Signature]
Director



LADAM FINANCE LIMITED
Statement of Profit and Loss for the year ended 31-03-2013

	Note	31/03/2013 (in Rs.)	31-03-2012 (in Rs.)
Continuing Operations			
REVENUE			
Revenue from Operations & Other Income	11.00	1,616,142	5,029,593
Revenue from Operations & Other Income(Net)		1,616,142	5,029,593
Total Revenue		1,616,142	5,029,593
EXPENSES			
Purchases	12.00	-	-
Change in Inventory	13.00	-	-
Depreciation		-	-
Expenses	14.00	1,665,795	1,647,516
Total Expenses		1,665,795	1,647,516
Profit Before Tax		(49,653)	3,382,077
Provision for Taxation		-	-
Profit/(Loss) for the period		(49,653)	3,382,077

Earnings per Share
For CHATURVEDI & CHATURVEDI
Chartered Accountants
F.R.N.101718W

I.P. Mehta
Name: I.P.MEHTA
Membership no: 34609
Place: Mumbai
Dated: 02/09/2013



For Ladam Finance Limited

[Signature] *[Signature]*
Director Director



LADAM FINANCE LIMITED

Note-1 SHAREHOLDERS FUND

As at	31/03/2013	31-03-2012
1. SHARE CAPITAL		
Equity Share Capital		
Authorised		
101,50,000 shares of par value Rs.10/- each	<u>101,500,000</u>	<u>101,500,000</u>
(Previous Year 84,00,000 share of par value Rs.10/- each		
Issued, Subscribed & Fully Paid Up		
91,52,300 shares of par value Rs.10/- each	<u>91,523,000</u>	<u>91,523,000</u>
(Previous Year 91,52,300 share of par value Rs.10/- each		
a. Reconciliation of Shares Outstanding		
Equity Shares		
At the beginning of the period	9,152,300	9,152,300
Addition during the period	-	-
Deduction during the period	-	-
Outstanding at the end of the period	<u>9,152,300</u>	<u>9,152,300</u>
Share Application		
f. Details of shareholders holding more than 5% shares in the company		
Name of the shareholder		
B. B. Aggarwal	34.40	34.40
Sumesh B Agarwal	24.01	24.01

Note-2 RESERVES & SURPLUS

As at	31/03/2013	31-03-2012
A. Special Capital Incentive		
Balance at the beginning & at the end o the year		
B. Revaluation Reserve		
Balance at the beginning & at the end o the year	20,000,000	20,000,000
C. Share Premium		
Balance at the beginning & at the end o the year	30,011,500	30,011,500
D. SURPLUS/(DEFICIT) IN THE STATEMENT OF PROFIT & LOSS		
Balance at the beginning of the year	(40,473,999)	(43,856,076)
Add: Surplus / (Deficit) during the year	(49,653)	3,382,077
Balance at the end of the year	<u>9,487,848</u>	<u>9,537,501</u>

Note No. 3 Other Long Term Liabilities

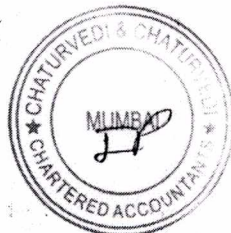
Unsecured Loans		
-from related parties	99,378,830	96,989,165
-from others	1,723,420	1,723,420
Total	<u>101,102,250</u>	<u>98,712,585</u>

Note-4 OTHER CURRENT LIABILITIES

As at	31/03/2013	31-03-2012
Provisions for Expenses		
Others	644,843	644,972
Total	<u>644,843</u>	<u>644,972</u>

Note-6 Investments

As at			31.03.2013	31.03.2012
Non-Current Investments				
Equity Shares (fully paid-up)				
Shares of Group Companies				
Ladam Steels Ltd	128,360.00	10.00	1,283,600.00	1,283,600.00
Spearhead Metals & Alloys Ltd	200.00	10.00	2,000.00	2,000.00
Lacon India Ltd	39,000.00	10.00	390,000.00	390,000.00
Ladam Homes Ltd	25,000.00	10.00	250,000.00	250,000.00
Ladam Foods Ltd.	45,000.00	10.00	450,000.00	450,000.00
Other Investment			<u>23,966,957.00</u>	<u>22,350,815.00</u>
Total			<u>26,342,557.00</u>	<u>24,726,415.00</u>



LADAM FINANCE LIMITED

Note No. 7 INVENTORIES	31/03/2013	31-03-2012
WIP	3,104,256	1,498,818
Total	<u>3,104,256</u>	<u>1,498,818</u>

Note No. 8 Trade Receivables

Outstanding for a period less than six months from the date they are due for payment

Unsecured, considered good	-	-
Considered doubtful	-	-
Less: Allowance for bad & doubtful receivables	-	-
Others-Unsecured, considered good	-	-
Less: Allowance for bad & doubtful receivables	-	-
Total	<u>-</u>	<u>-</u>

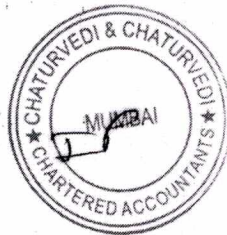
Note No. 9 Cash & Cash Equivalents

A. Cash on Hand	16,633	3,976
B. Balance with Banks		
-Current Account	35,029	84,942
-Fixed Deposit	-	-
Total	<u>51,662</u>	<u>88,918</u>

Note No. 10 Other Current Assets

Short Term Loans & Advances

A. Loan to Directors		
B. Deposits		
C. Other Advances	118,942,873	119,787,314
Total	<u>118,942,873</u>	<u>119,787,314</u>



LADAM FINANCE LIMITED

Note No. 11 REVENUE FROM OPERATIONS	31/03/2013	31-03-2012
Share of Profit from Firm	1,616,142	5,029,593
Total	1,616,142	5,029,593
Note No. 12 Purchases		
Purchases		
Total	-	-
Note No. 13 Changes in Inventory		
Opening Stock		-
Closing Stock		-
Changes in Inventory	-	-
Note No. 14 Expenses		
Electricity Charges	31,970.00	
Travelling Exps	62,256.00	26,412.00
Office Exps	1,935.00	9,134.00
Survey Charges	48,000.00	8,000.00
Security Charges	842,374.00	231,000.00
Staff Welfare	20,324.00	5,798.00
Repairs & Maintenance	2,505.00	13,596.00
Property Tax	47,594.00	128,060.00
Listing Fees	6,000.00	6,000.00
Donation	4,800	
Housekeeping Exps	10,900	7,700
Conveyance Exp	18,542	23,801
Salaries	376,507	651,246
Bank Charges	337	35
Legal & Profesional Exp.	171,142	428,187
Auditor's Remuneration	5,000	5,000
Miscellaneous Expenses	13,442	90,587
Printing & Stationery	1,937	12,740
Postage & Courier Charges	230	220
Total	1,665,795	1,647,516



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Ph: 25340935 9821138766, 9930538709



Ladam Finance Limited Cash Flow Statement
Annexed to the Balance Sheet for the period April, 2012 to March, 2013

Particulars	Current Year (2012-13)	Previous Year (2011-12)
A. Cash flow from Operating Activities		
Profit before tax as per Profit & Loss Account	-49,653	33,82,077
Less : Share of profit from Partnership Firm	-16,16,142	-50,29,593
Depreciation (net)		
Operating profit before working capital changes	-16,65,795	-16,47,516
Adjustment for :		
(Increase) / decrease in Inventories	-16,05,438	-8,71,538
(Increase) / decrease in Sundry Debtors		
(Increase) / decrease in Loans & Advances	8,44,441	88,96,750
(Increase) / decrease in Other Current Assets		
(Increase) / decrease in Misc. Expenditure		
Increase / (decrease) in Trade payables	-129	19,079
Increase / (decrease) in Other Liability	23,89,665	-65,35,430
Cash generated from operations	-37,256	-1,38,655
Direct taxes (paid/TDS deducted) / Refund received		
Net Cash flow from Operating Activities	-37,256	-1,38,655
B. Cash flow from Investing Activities		
(Purchase) / Sale of Fixed Assets		-
(Purchase) / Sale of Investments	-	-
Net Cash flow from investing Activities		-
C. Cash flow from Financing Activities		
Proceeds / (Repayment) of Unsecured Loans	-	-
Interest Paid	-	-
Net Cash flow from Financing Activities	-	-
Net Increase / (decrease) in cash and cash equivalent	-37,256	-1,38,655
Cash and cash equivalent as at the beginning of the year	88,918	2,27,573
Cash and cash equivalent as at the closing of the year	51,662	88,918

FOR CHATURVEDI &
CHATURVEDI

Chartered Accountants
F.R.N.101718W

Name : I.P.Mehta

Membership No. 34609

Place : Mumbai

Dated : 02/09/2013



For Ladam Finance Limited

Director

Director

The above Cash Flow Statement has been compiled from and is based on the Balance Sheet as at 31st March, 2015 and the relative Profit and Loss Account for the year ended on the date. The above Cash Flow Statement has been prepared in consonance with the requirement of AS-3 on Cash Flow Statement issued by the Institute of Chartered Accountants of India and the reconciliation required for the purpose is as made by Company.