

Ladam Finance Limited

33rd Annual Report

2011-12

NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT THE 30th ANNUAL GENERAL MEETING OF LADAM FINANCE LIMITED WILL BE HELD AT THE CORPORATE OFFICE AT LADAM HOUSE, M ROAD, W I E, THANE ON 29TH SEPTEMBER, 2012 AT 4.00 P.M. TO TRANSACT THE FOLLOWING BUSINESS :

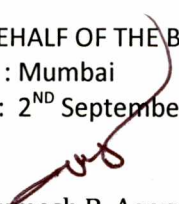
ORDINARY BUSINESS :

- (1) To receive, consider and adopt the Audited Balance Sheet and Profit & Loss Account made for the period ended 31st March, 2012 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 31st March, 2013 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, 2012


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 30th Annual Report and Audited Accounts for the year ended March 31, 2012.

1. FINANCIAL RESULTS :	Rupees
Profit Before Tax	33,82,077
Provision For Tax	NIL
Profit After Tax	33,82,077

2. DIVIDEND:

In absence of divisible profits, the Directors have decided not to recommend any dividend for the financial year 2011-2012.

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, 2012, 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, 2011 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: 02.09.2012

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,
Bhiwandiwalla Terrace,
Adjacent to Court, Thane.
Ph: 25340935, 9821138766, 9930538766



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.

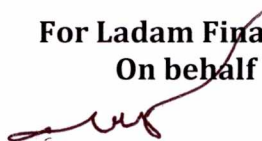
HUMAN RESOURCES

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, 2012
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 2011-12

(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 2011-2012

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 07.07.2011, 07.10.2011, 07.01.2012 and 07.04.2012.

Name of the Director	No. of Board Meeting Attended	Whether Last AGM Attended held on 30.09.2011 (Yes / No)	No. of Directorship in other Public Limited companies	No. of Membership Chairmanship in other Public Limited companies	
				Member	Chair man
Mr. Sumesh b Agarwal	4	Yes	Spearhead Metals & Alloys Ltd. , Lacon India Ltd., Ladam Flora Ltd., Ladam Homes Ltd., 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 Ltd. , Lacon India Ltd., Ladam Flora Ltd., Ladam Homes Ltd., Ladam Steel Ltd., Ladam Foods Ltd.	2	0

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 07.07.2011, 07.10.2011, 07.01.2012 and 07.04.2012.. 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, 2012 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, 2012 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

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 07.07.2011, 07.10.2011, 07.01.2012 and 07.04.2012..

The Composition of the Shareholders'/Investors' Grievance Committee as on 31st March, 2012 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, 2012

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
2008-2009	Wednesday, 30.09.2009, 4.00 PM.	Ladam House, C-33, Opp. ITI, Wagle Industrial Estate,. Thane (W) - 400604.	Nil
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

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 2011-12, 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	:	Saturday, 29 th September, 2012 Ladam House, C-33, Opp. ITI, Wagle Industrial E state,. Thane (W) - 400604.
Financial Calendar	:	April 2011 to March 2012
Results for the First Quarter ending on 30 th June 2011	:	Second week of July, 2011
Results for the Second Quarter ending on 30 th September 2011	:	Second Week of, October, 2011
Results for the Third Quarter ending on 31 st December 2011	:	Second Week of January, 2012
Results for the Fourth Quarter ended on 31 st March, 2012	:	Second Week of May, 2012
Date of Book Closure	:	22.09.2012 to 29.09.2012 (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 31/03/2012

Category	No. of Shares held	Voting Strength (%)
Promoters, Relatives & Associate companies	5346400	58.72 %
Public	3775800	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 2012

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 2012

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 2012

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**

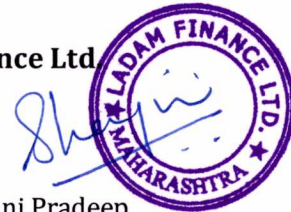
In accordance with Clause 49 1(D)(ii) of the Listing Agreement with the Stock Exchange, We hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with the Code of Conduct, as applicable to them, for the Financial year ended 31th March, 2012.

For Ladam Finance Ltd.



Mr. Sumesh b Agarwal
Director

For Ladam Finance Ltd.



Mrs. Sajani Pradeep
Manager-Accounts & Finance

Thane, 2nd September, 2012

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

We, Mr. Sumesh B Agarwal , Director and, Mrs. Sajani Pradeep , 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 31st March 2012 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 September, 2012



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

AUDITORS' REPORT

To the Members of LADAM FINANCE LIMITED.,

1. We have audited the attached Balance Sheet of the LADAM FIANANCE LIMITED as at 31st March, 2012 and also the Profit and Loss Account of the Company for the year ended 31st March 2012. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on theses financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Manufacturing and Other Companies (Auditors' Report) Order, 2003, issued by the Company Law Board in terms of Section 227(4A) of the companies Act, 1956. We give in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said order as applicable to Company.
4. Further to our comments in the Annexure referred to in paragraph 1 above, we state that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) in our opinion, proper books of account, as required by law have been kept by the Company, so far as appears from our examination of such books.
 - c) the Balance Sheet referred to in this report is in agreement with the books of account.



- d) in our opinion, the Profit & Loss Account and Balance Sheet comply with the mandatory accounting standards referred to in sub-section 3(C) of section 211 of the Companies Act, 1956, so far as appears from our examination of such books.
- e) on the basis of the written representations received from the directors as on 31st March, 2012, and taken on record by the Board of the Directors, we report that none of the directors of the Company is disqualified from being appointed as director under clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- f) in our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet read together with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view :-
- i. in the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2012.
- AND
- ii. in the case of the profit and loss account, of the Losses of the Company for the year ended on that date.

For CHATURVEDI & CHATURVEDI
CHARTERED ACCOUNTANTS

J.P. Mutha

PARTNER

Place: Mumbai

Date: 01.09.2012



ANNEXURE TO AUDITORS' REPORT

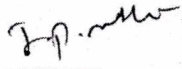
Referred to in paragraph 1 of our report of even date

1. The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets. As explained to us, all the assets have been physically verified by the management at reasonable intervals during the year. According to the information and explanations given to us, no discrepancies have been noticed on such verification as compared to the books records:
2. None of the Fixed Assets have been revalued during the year.
3. Since the Company is an investment Company, clause Nos. (iii), (iv), (v), (vi), (x), (xiv), (xvi), and (xx) of the clause A of paragraph 4 of the aforesaid order are not applicable.
4. The Company has not taken any loans, secured or unsecured from companies, firms or other parties listed in the register maintained under section 301 of the companies Act, 1956, or from companies under the same management within the meaning of sub-section (1B) of Section 370 of the Companies Act, 1956 where the rate of interest and other terms are in our opinion prima-facie prejudicial to the interest of the Company.
5. The Company has not granted any loans, secured or unsecured to companies, firms or other parties listed in the register maintained under Section 301 and/ or to the companies under the same management as defined under sub-section (1B) of Section 370 of the Companies Act, 1956, where the rate of interest and other terms are in our opinion prima-facie prejudicial to the interest of the Company
6. In respect of the loans and advances in the nature of loans given by the Company to the parties are generally repaying the principle amounts as stipulated and are also regular in the payment of the interest wherever stipulated.
7. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of assets.
8. According to information and explanation given to us no undisputed amounts payable in respect of Income tax, wealth tax, sales tax, custom duty and excise duty were outstanding as on 31st March, 2012 for a period of more than six months from the date of becoming payable.
9. In our opinion and according to the information and explanation given to us, the Company has not complied with the provision of section 58A of the Companies Act, 1956 and Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the Public.
10. As explain to us and according to the records of the Company, the provisions of employees State Insurance Act, Provident Fund are not applicable to the Company.



11. According to the information and explanations given to us and on the basis of records examined by us, no personal expenses of employees or Directors have been charged to Revenue Account other than those payable under contractual obligation or in accordance with generally accepted business practice.
12. The Company is not sick industrial Company within the meaning of clause (o) of sub-section (1) of section 3 of the Sick industrial Companies (Special Provision) Act, 1985.
13. Adequate documents and record are maintained by the Company for the loans and advances granted on the basis of security by way of pledged of shares, debentures and other securities.
14. In our opinion the Company has maintained proper records and made timely entries in respect of investment dealt in or traded by the Company. The Company's investments are held in its own name, save and except, those in the process of being transferred in its name.
15. According to information and explanations given to us, the provisions of any special statute applicable to Chit Fund, Nidhi or Mutual Benefit Society are not applicable to the Company.

For CHATURVEDI & CHATURVEDI
CHARTERED ACCOUNTANTS


PARTNER
M.No. 34609

Place: Mumbai

Date: 02.09.2012



SCHEDULE – “H”

NOTES TO THE ACCOUNTS

PART I: SIGNIFICANT ACCOUNTING POLICIES

1. Basis of Accounting:

The Accounts have been prepared on the basis of historical cost convention in accordance to the generally accepted accounting principles & the provision of the Companies act 1956 as adopted consistently by the Company.

2. Fixed Assets:

Fixed Assets are valued at cost.

3. Depreciation:

No Depreciation on fixed assets has been provided during the year.

4. Investments:

Investments are stated at costs.

5. Recognition of Income and Expenditure:

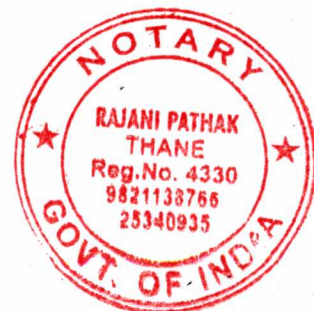
Items of income and Expenditure are generally recorded on accrual basis.

6. Preliminary Expenses:

Preliminary Expenses are treated as deferred revenue expenses and are amortized over a period of ten years.

PART II: NOTES ON ACCOUNTS

1. In the absence of confirmation from parties, the accuracy of the figures of Debtors, Creditors and Loans and Advances could not be verified by the auditors.
2. In the opinion of the Board, the current assets, loans and advances are approximately of the value stated if they are realized in ordinary course of business, and there are no contingent liabilities and provisions for all known liabilities are adequate.
3. Previous year figures are re-grouped and re-arranged wherever it is found necessary.
4. Information and particulars pursuant to the provisions of paragraphs 3, 4C and 4D of part II of schedule VI to the companies act, 1956, are not applicable.



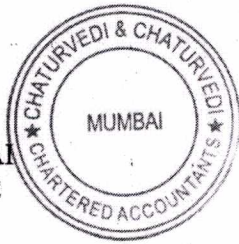
5.	Remuneration to Auditor's	
	I.Audit Fees	Rs.5000/-
6.	Earning in Foreign Currency:	NIL
7.	Expenditure In Foreign Currency:	NIL
8.	Remuneration To Employees:	NIL

Remuneration of employee who are employed throughout the financial year and were in receipt of remuneration, which in aggregate was not less than the limits specified by the Act: NIL

AS PER OUR SEPARATE REPORT OF EVEN DATE
For CHATURVEDI & CHATURVEDI
Chartered Accountants

J.P. M...
PARTNER
M.No. 34609

PLACE: MUMBAI
DATE: 02.09.2012



DIRECTORS

MR. B. B. AGGARWAL

cc
MR. SUMESH AGARWAL

mb
MR. JAYAPRASAD PILLAI



BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE (in terms of amendment of Schedule VI Part IV)

I. Registration Details:

Registration No. : 11-21923
 Balance Sheet Date : 31.03.2012
 State Code : 011

II. Capital Raised during the year (amount in Rs. Thousands)

Public Issue : Nil
 Bonus Issue : Nil
 Rights Issue : Nil
 Private Placement : Nil

III. Position of Mobilisation and Deployment of Funds

Total Liabilities		Total Assets	
Paid-up Capital	9,15,23,000	Net Fixed Assets	5,22,98,402
Reserve & Surplus	5,00,11,500	Net Current Assets	12,07,30,077
Secured Loans	0	Accumulated Losses	4,04,73,999
Unsecured Loans	9,87,12,585	Investments	2,47,26,415
		Misc. Expenditure	20,18,191
	24,02,47,085		24,02,47,084

IV. Performance of the Company

Turnover & Other Income	50,29,593
Total Expenditure	16,47,516
Profit / -Loss Before Tax	33,82,077
Profit / - Loss After Tax	33,82,077
Earning Per Share in Rs.	NIL
Dividend Rate	NIL

V. Generic Names of Principal Products / services of the Company (as per monetary Items): Investment in Real Estate & Investment in Primary Market.

As per Our separate report of even date

FOR AND ON BEHALF
 OF THE BOARD
 DIRECTORS

For CHATURVEDI & CHATURVEDI
 Chartered Accountants

PARTNER
 M.No.34609

PLACE: MUMBAI
 DATE:01.09.2012



DIRECTORS

MR. B. B. AGGARWAL

MR. SUMESH AGARWAL

MR. JAYAPRASAD PILLAI

TRUE COPY
 ATTESTED BY ME

Rajani Pathak
 B.Sc., LL.M.
 NOTARY & ADVOCATE
 1st Floor, Vision Business Centre,
 Bhiwandiwalla Terrace,
 Adjacent to Court, Thane,
 Ph.: 25340935 9821138766, 9930538766



LADAM FINANCE LIMITED
Balance Sheet as at 31-03-2012

	Notes	31-03-2012 (in Rs.)	31-03-2011 (in Rs.)
1. EQUITY AND LIABILITIES			
1. Shareholders Fund			
Share Capital	1.00	91,523,000	91,523,000
Reserves & Surplus	2.00	9,537,501	6,155,424
		101,060,501	97,678,424
2. Non-current Liabilities			
Long Term borrowings	3.00	98,712,585	105,248,015
3. Current Liabilities			
Short Term Provisions	4.00	-	-
Other Current Liabilities		644,972	625,893
		644,972	625,893
Total		200,418,058	203,552,332
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	24,726,415.00	19,696,822.00
Current Assets			
Inventories	7.00	1,498,818.00	627,280.00
Trade Receivables	8.00	-	-
Cash and Cash Equivalents	9.00	88,918.00	227,573.00
Other Current Assets	10.00	119,787,314.00	128,684,064.00
		121,375,050.00	129,538,917.00
Total		200,418,058	203,552,332

Significant Accounting Policies

The accompanying notes are an integral part of the financial statements

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

J.P. Mehta
Name: I.P. MEHTA
Membership no: 34609
Place: Mumbai
Dated: 02/09/2012



For Ladam Finance Limited

[Signature]

Director

Director



LADAM FINANCE LIMITED
Statement of Profit and Loss for the year ended 31-03-2012

	Note	31-03-2012 (in Rs.)	31-03-2011 (in Rs.)
Continuing Operations			
REVENUE			
Revenue from Operations & Other Income	11.00	5,029,593	4,736,766
Revenue from Operations & Other Income(Net)		5,029,593	4,736,766
Total Revenue		5,029,593	4,736,766
EXPENSES			
Purchases	12.00	-	-
Change in Inventory	13.00	-	-
Depreciation		-	-
Expenses	14.00	1,647,516	1,660,690
Total Expenses		1,647,516	1,660,690
Profit Before Tax		3,382,077	3,076,076
Provision for Taxation		-	-
Profit/(Loss) for the period		3,382,077	3,076,076

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: 02/09/2012



For Ladam Finance Limited

[Signature]

Director Director



LADAM FINANCE LIMITED

Note-1 SHAREHOLDERS FUND

As at	31-03-2012	31-03-2011
1. SHARE CAPITAL		
Equity Share Capital		
Authorised		
101,50,000 shares of par value Rs.10/- each	101,500,000	101,500,000
(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	91,523,000	91,523,000
(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	9,152,300	9,152,300

Share Application

f. Details of shareholders holding more than 5% shares in the company

Name of the shareholder		
B.B.Agarwal	34.40	34.40
Sumesh B Agarwal	24.01	24.01

Note-2 RESERVES & SURPLUS

As at	31-03-2012	31-03-2011
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	(43,856,076)	(46,932,152)
Add: Surplus / (Deficit) during the year	3,382,077	3,076,076
Balance at the end of the year		
Total	9,537,501	6,155,424

Note No. 3 Other Long Term Liabilities

Unsecured Loans		
-from related parties	96,989,165	103,516,945
-from others	1,723,420	1,731,070
Total	98,712,585	105,248,015

Note-4 OTHER CURRENT LIABILITIES

As at	31-03-2012	31-03-2011
Provisions for Expenses		
Others	644,972	625,893
Total	644,972	625,893

Note-6 Investments

As at	No. of Shares	Face Values	31.03.2012	31.03.2011
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			22,350,815.00	17,321,222.00
Total			24,726,415.00	19,696,822.00



LADAM FINANCE LIMITED

Note No. 7 INVENTORIES	31-03-2012	31-03-2011
WIP	1,498,818	627,280
Total	<u>1,498,818</u>	<u>627,280</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>

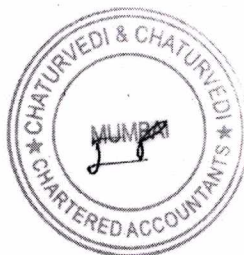
Note No. 9 Cash & Cash Equivalents

A. Cash on Hand	3,976	41,552
B. Balance with Banks		
-Current Account	84,942	186,021
-Fixed Deposit	-	-
Total	<u>88,918</u>	<u>227,573</u>

Note No. 10 Other Current Assets

Short Term Loans & Advances

A. Loan to Directors		
B. Deposits		
C. Other Advances	119,787,314	128,684,064
Total	<u>119,787,314</u>	<u>128,684,064</u>



LADAM FINANCE LIMITED

Note No. 11 REVENUE FROM OPERATIONS	31-03-2012	31-03-2011
Share of Profit from Firm	5,029,593	4,736,766
Total	5,029,593	4,736,766

Note No. 12 Purchases

Purchases

Total	-	-
--------------	----------	----------

Note No. 13 Changes in Inventory

Opening Stock		-
Closing Stock		-
Changes in Inventory	-	-

Note No. 14 Expenses

Travelling Exps	26,412.00	
Office Exps	9,134.00	
Survey Charges	8,000.00	86,453.00
Security Charges	231,000.00	252,000.00
Staff Welfare	5,798.00	25,877.00
Repairs & Maintenance	13,596.00	6,150.00
Property Tax	128,060.00	161,964.00
Listing Fees	6,000.00	6,000.00
Stamp duty & Registration		76,178
Housekeeping Exps	7,700	10,160
Conveyance Exp	23,801	13,128
Salaries	651,246	584,209
Bank Charges	35	
Legal & Profesional Exp.	428,187	298,550
Auditor's Remuneration	5,000	5,000
Miscellaneous Expenses	90,587	132,464
Printing & Stationery	12,740	1,902
Postage & Courier Charges	220	655
Total	1,647,516	1,660,690



**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, 9930538766



Ladam Finance Limited Cash Flow Statement
Annexed to the Balance Sheet for the period April, 2011 to March, 2012

Particulars	Current Year (2011-12)	Previous Year (2010-11)
A. Cash flow from Operating Activities		
Profit before tax as per Profit & Loss Account	33,82,077	30,76,076
Less : Share of profit from Partnership Firm	-50,29,593	-47,36,766
Depreciation (net)		
Operating profit before working capital changes	-16,47,516	-16,60,690
Adjustment for :		
(Increase) / decrease in Inventories	-8,71,538	-18,900
(Increase) / decrease in Sundry Debtors		
(Increase) / decrease in Loans & Advances	88,96,750	-12,81,315
(Increase) / decrease in Other Current Assets		
(Increase) / decrease in Misc. Expenditure		
Increase / (decrease) in Trade payables	19,079	-3,703
Increase / (decrease) in Other Liability	-65,35,430	30,40,100
Cash generated from operations	-1,38,655	75,492
Direct taxes (paid/TDS deducted) / Refund received		
Net Cash flow from Operating Activities	-1,38,655	75,492
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	-1,38,655	75,492
Cash and cash equivalent as at the beginning of the year	2,27,573	1,52,080
Cash and cash equivalent as at the closing of the year	88,918	2,27,572

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

Name : I.P.Mehta
Membership No. 34609
Place : Mumbai
Dated : 02/09/2012



[Signature]
Director

For Ladam Finance Limited

[Signature]
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.