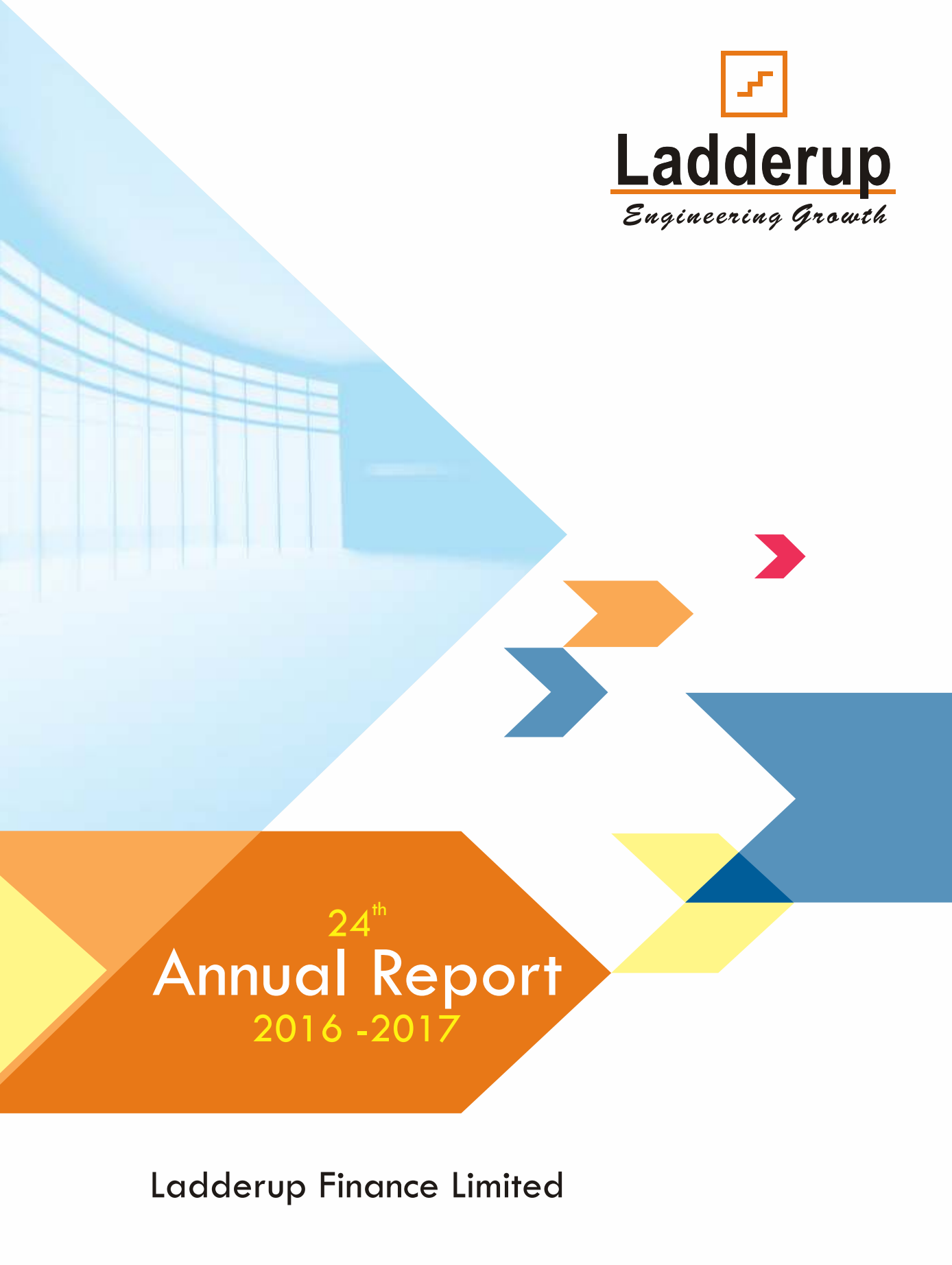




# **Ladderup**

*Engineering Growth*



24<sup>th</sup>  
**Annual Report**  
2016 -2017

**Ladderup Finance Limited**

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## CORPORATE INFORMATION

<b>BOARD OF DIRECTORS</b>	:	Mr. K. V. S. Shyam Sunder (Chairman)
	:	Mr. T. V. Rao (w.e.f. 11 <sup>th</sup> August 2016)
	:	Mrs. Mangala Radhakrishna Prabhu
	:	Mr. Sunil Goyal (Managing Director)
	:	Mr. Manoj Singrodia
	:	Mr. Harsha Saksena
<b>REGISTERED OFFICE</b>	:	102-A, 1 <sup>st</sup> Floor, Hallmark Business Plaza, Guru Nanak Hospital Road, Bandra (East), Mumbai-400 051
<b>BANKERS</b>	:	Axis Bank Limited
	:	Bank of Maharashtra Limited
	:	HDFC Bank Limited
	:	Dhanlaxmi Bank Limited
<b>STATUTORY AUDITORS</b>	:	M/s. Khurdia Jain & Co., Chartered Accountants, Mumbai
<b>INTERNAL AUDITORS</b>	:	M/s. Shah Gupta & Co., Chartered Accountants, Mumbai
<b>SECRETARIAL AUDITOR</b>	:	M/s. H. S. Associates Practicing Company Secretaries, Mumbai
<b>REGISTRAR AND SHARE TRANSFER AGENT</b>	:	Sharex Dynamic (India) Private Limited Unit 1, Luthra Industrial Premises, 1 <sup>st</sup> Floor, 44-E, M. Vasanti Marg, Andheri Kurla Road, Safed Pool, Andheri (East), Mumbai-400 072
<b>COMPANY SECRETARY AND COMPLIANCE OFFICER</b>	:	Ms. Zarana Soni (w.e.f. 12 <sup>th</sup> August, 2017)

## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the Twenty Fourth Annual General Meeting of the Members of Ladderup Finance Limited will be held on Saturday, 23<sup>rd</sup> September, 2017 at 10.30 a.m. at Hotel Mirage, International Airport Approach Road, Marol, Andheri (East), Mumbai – 400 059, to transact the following business:

### ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements including Consolidated Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2017, the Reports of the Board of Directors and Auditors thereon;
2. To appoint a Director in place of Mrs. Mangala Radhakrishna Prabhu (DIN: 06450659), who retires by rotation and, being eligible, offers herself for re-appointment;
3. To appoint Statutory Auditors and to fix their remuneration and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 139, 142 and all other applicable provisions, if any, of Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, (Including any statutory modification(s) or re-enactment thereof, for the time being in force), and pursuant to recommendation made by the Audit Committee of the Board M/s. Shah Gupta & Co. Chartered Accountants, Mumbai (Firm Registration No. 109574W), be and are hereby appointed as Statutory Auditors of the Company, in place of retiring Statutory Auditor M/s. Khurdia Jain & Co., Chartered Accountant, Mumbai to hold office from the ensuing Annual General Meeting till the conclusion of the 29<sup>th</sup> Annual General Meeting of the Company to be held in the FY 2022-23 for a term of five consecutive years (subject to ratification at every Annual General Meeting held after this Annual General Meeting) on such remuneration as agreed upon by the Board of Directors and the Auditors, in addition to the reimbursement of service tax and actual out-of-pocket expenses, if any incurred in connection with the audit of accounts of the Company for the financial year 2017-18.

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

Date : 12<sup>th</sup> August, 2017  
Place : Mumbai

**By Order of the Board**

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

**Zarana Soni**  
(Company Secretary)

## **NOTES TO NOTICE**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE ON A POLL ON HIS BEHALF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form MGT-11 is sent herewith.

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

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

2. As required in terms of Regulation 36(3) of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, relevant information in respect of the Directors seeking appointment and re-appointment at the AGM is annexed hereto.
3. The Register of Members and the Share Transfer books of the Company will remain closed from Monday, 18<sup>th</sup> September, 2017 to Saturday, 23<sup>rd</sup> September, 2017 (both days inclusive) for annual closing for the financial year 2016-17.
4. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company or its Registrar and Share Transfer Agent M/s. Sharex Dynamic (India) Private Limited.
5. Queries on financial statements and operations of the Company, if any, may be sent to the Company Secretary seven days in advance of the meeting so as to enable the Management to keep the information ready at the meeting.
6. All transfer deeds, requests for change of address, bank particulars /mandates /ECS mandates, PAN should be lodged with Company's Registrar and Share Transfer Agent M/s. Sharex Dynamic (India) Private Limited, in case of shares held in physical form on or before Friday, 15<sup>th</sup> September, 2017. The above details in respect of the shares held in electronic form should be sent to the respective Depository Participants by the members well in time.
7. Under Section 72 of the Act, members are entitled to make nomination in respect of shares held by them in physical mode. Members desirous of making nominations are requested to send their request in Form No. SH.13 to the Company's Registrar and Share Transfer Agent.
8. As a measure of economy, Members are requested to bring their copy of Annual Report to the meeting. Members / Proxies should bring the attendance slip duly filled in and signed for attending the meeting.
9. Members who have not so far encashed the Dividend Warrant(s) for the Dividend declared for the previous years are requested to make their claims to the Company at the earliest. The dividends that are not encashed/ claimed within seven years from the date of declaration of dividend will as per Section 124 of the Act, be transferred to Investor Education and Protection Fund (IEPF). After transfer of the said amount to IEPF, no claims in this respect shall lie against IEPF or the Company.

## **NOTES TO NOTICE**

10. The Annual Report of the Company circulated to the members of the Company will be made available on the Company's website at [www.ladderup.com](http://www.ladderup.com).
11. Voting through electronic means
  - I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') and Regulation 44 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the 24<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
  - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
  - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
  - IV. The remote e-voting period commences on Wednesday, 20<sup>th</sup> September, 2017 (9:00 am) and ends on Friday, 22<sup>nd</sup> September, 2017 (5:00 pm). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Saturday, 16<sup>th</sup> September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
  - V. The process and manner for remote e-voting are as under:
    - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)]:
      - (i) Open email and open PDF file viz; "Ladderup Finance remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
      - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsd.com>
      - (iii) Click on Shareholder - Login
      - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
      - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
      - (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.

## **NOTES TO NOTICE**

- (vii) Select “EVEN” of Ladderup Finance Limited.
  - (viii) Now you are ready for remote e-voting as Cast Vote page opens.
  - (ix) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
  - (x) Upon confirmation, the message “Vote cast successfully” will be displayed.
  - (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
  - (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to pri.somani@gmail.com or evoting@ladderup.com with a copy marked to evoting@nsdl.co.in
- B. In case a Member receives physical copy of the Notice of AGM [for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy]:
- (i) Initial password is provided as below/at the bottom of the Attendance Slip for the AGM :  
**REVEN (Remote e-voting Event Number) USER ID PASSWORD/PIN**
  - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
- VI. In case of any queries, you may refer Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.: 1800-222-990.
- VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
- VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of Saturday, 16<sup>th</sup> September, 2017.
- X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the Notice of AGM and holding shares as of the cut-off date i.e. Saturday, 16<sup>th</sup> September, 2017, may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) or [evoting@ladderup.com](mailto:evoting@ladderup.com). However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- XI. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off

## **NOTES TO NOTICE**

date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

- XII. Mrs. Priyanka Lahoti, Practicing Company Secretary, (Membership No. ACS 23930 & COP No. 8654) has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
  - XIII. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
  - XIV. The Scrutinizer shall after the conclusion of voting at the AGM, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
  - XV. The Results declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.ladderup.com](http://www.ladderup.com) and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
12. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during normal business hours (10.00 am to 1.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.
13. This Notice has been updated with the instructions for voting through electronic means as per the Amended Rules 2015.

Date : 12<sup>th</sup> August, 2017  
Place : Mumbai

**By Order of the Board**

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

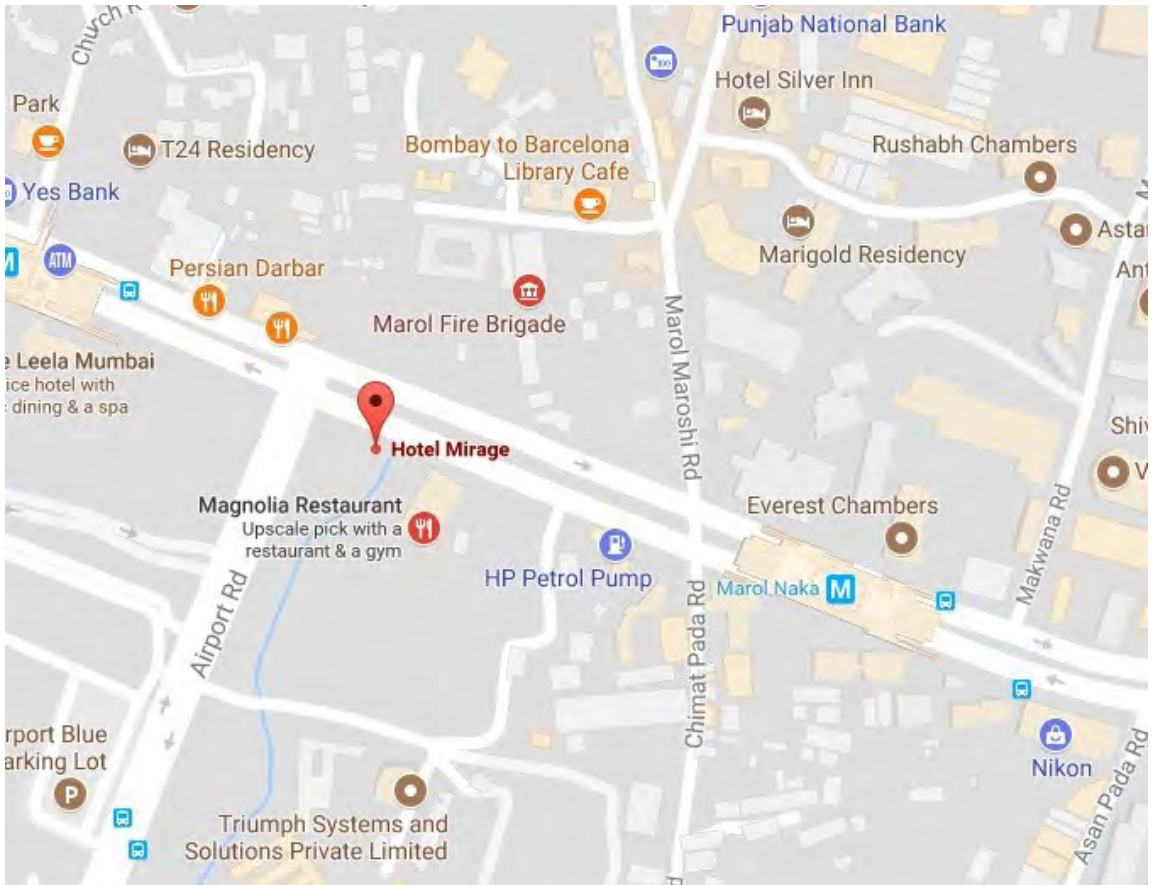
**Zarana Soni**  
(Company Secretary)

## APPOINTMENT AND RE-APPOINTMENT OF DIRECTORS

The details pertaining to appointment or re-appointment of the Director as required to be provided pursuant to Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 are as follows:

<b>Name of the Director</b>	<b>Mrs. Mangala Radhakrishna Prabhu</b>
<b>Date of Birth</b>	15.04.1955
<b>Date of Appointment</b>	29.05.2015
<b>Expertise in specific functional area</b>	Specialised in working capital, project finance, structured finance, M&A Financing and Capital market products.
<b>Qualification</b>	Chartered Accountant and Cost Accountant
<b>List of outside Directorship held as on 31<sup>st</sup> March, 2017 (Excluding Private Limited Companies and Foreign Companies)</b>	<ol style="list-style-type: none"> <li>1. Aspira Pathlab &amp; Diagnostics Limited</li> <li>2. Bharat Oman Refineries Limited</li> <li>3. Star Agriwarehousing And Collateral Management Limited</li> <li>4. Staragri Finance Limited</li> <li>5. National Multi-Commodity Exchange Of India Limited</li> </ol>
<b>Chairman/Member of the Committee of Board of Directors of the Company as on 31<sup>st</sup> March, 2017</b>	NIL
<b>No of Shares held in the Company as on 31<sup>st</sup> March, 2017</b>	NIL

## ROUTE MAP TO THE VENUE OF AGM



Prominent Landmark — Mirage Hotel

## DIRECTORS' REPORT

The Members,

Your Directors are pleased to present the Twenty Fourth Annual Report of the Company, both on Standalone and Consolidated basis together with the Audited Financial Statements for the FY ended 31st March, 2017.

### 1. FINANCIAL RESULTS

(₹ in Lakh)

Particulars	2016-17	2015-16	2016-17	2015-16
	Consolidated		Standalone	
Operational and other Income	1837.07	700.87	1534.47	369.70
Profit before depreciation and Tax	1320.23	127.74	1272.23	260.04
<b>Less:</b> Depreciation	2.79	8.64	1.17	1.16
<b>Profit before Tax</b>	<b>1317.44</b>	<b>119.09</b>	<b>1271.05</b>	<b>258.88</b>
<b>Less:</b> Tax expenses (includes provision for deferred tax asset/liability)	10.63	3.80	9.20	4.22
<b>*Profit after Tax</b>	<b>1306.81</b>	<b>115.30</b>	<b>1261.85</b>	<b>254.66</b>

\*The profit after tax is considered before adjusting the minority interest and Current year's share of associates.

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

### 2. EXTRACT OF ANNUAL RETURN

The details forming part of the extract of Annual Return in Form MGT-9, as required under Section 92 of the Companies Act, 2013 (hereinafter referred to as "the Act") forms an integral part of this Report as **"Annexure A"**

### 3. MEETINGS OF THE BOARD

During FY 2016-17 four Board Meetings were held by the Company on 26<sup>th</sup> May, 2016, 11<sup>th</sup> August, 2016, 8<sup>th</sup> November, 2016 and 10<sup>th</sup> February, 2017. The intervening gap between the meetings was as prescribed under the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The number of Committee Meetings held during the FY 2016-17 forms part of the Corporate Governance Report.

### 4. DIRECTORS RESPONSIBILITY STATEMENT

To the best of knowledge and belief and according to the information and explanation obtained by them, your Directors make the following statements in terms of Sections 134(3)(c) & 134(5) of the Act.

- (a) That in the preparation of the annual financial statements, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) That such accounting policies as mentioned in Notes to the Financial Statements have been selected and applied consistently and judgments have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31<sup>st</sup> March, 2017 and of the profit or loss of the company for the year ended on that date;
- (c) That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;

## **DIRECTORS' REPORT**

- (d) That the annual financial statements have been prepared on a going concern basis;
- (e) That proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.
- (f) That systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### **5. DIRECTORS**

In accordance with the provisions of Section 152 of the Act, and that of Articles of Association of the Company, Mrs. Mangala Radhakrishna Prabhu, Director of the Company retires by rotation at ensuing Annual General Meeting of the Company and being eligible, has offered herself for re-appointment.

The Company has received declarations from all the Independent Directors confirming that they meet with the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

As stipulated under the Regulation 36(3) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, brief resume of the Director proposed to be re-appointed is given in the Notice convening Twenty Fourth Annual General Meeting.

### **6. NOMINATION AND REMUNERATION POLICY**

Pursuant to Provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 and on the recommendation of the Nomination & Remuneration Committee the Board had adopted policy for selection and appointment of Directors, Senior Management and their remuneration in the financial year 2015-16. The details of Remuneration Policy is stated in the Corporate Governance Report. The Nomination and Remuneration Policy is posted on the website of the Company.

### **7. AUDITORS & AUDITORS' REPORT**

#### **• STATUTORY AUDITORS & STATUTORY AUDITORS' REPORT:**

**M/s. Khurdia Jain & Co., Chartered Accountants (Firm Registration No. 120263W)** were associated with the Company since the incorporation of the Company.

As per the provisions of Section 139(2)(b)(ii) of the Companies Act, 2013 & Rule 6 of The Companies (Audit and Auditors) Rules, 2014, every Company shall appoint Statutory Auditors to hold office for one term of 5 years and such appointment is subject to ratification by the Members every year in the annual general meeting. The Act further makes it mandatory to rotate the statutory auditors after two terms of 5 years, in case of a firm of auditors. Further M/s. Khurdia Jain & Co., Chartered Accountants, Mumbai, has already served the two term of 5 years. Therefore in accordance with the above-mentioned provisions of the Companies Act, 2013 M/s. Khurdia Jain & Co., Chartered Accountants, Mumbai are not eligible for re-appointment as Statutory Auditor of the Company.

Further as per second proviso to Section 139(2)(b)(ii) of the Act a transition period of three years from the commencement of the Act was provided to appoint a new auditor if the existing auditor's firm has completed two terms of five consecutive years.

Accordingly, as per the said requirements of the Act, M/s. Shah Gupta & Co., Chartered Accountants (Firm Registration No. 109574W) are proposed to be appointed as auditors for a period of 5 years commencing from the conclusion of ensuing Annual General Meeting till the conclusion of the 29<sup>th</sup> Annual General Meeting to be held in the FY 2022-23, subject to ratification by shareholders every year.

## **DIRECTORS' REPORT**

M/s. Shah Gupta & Co., Chartered Accountants, have given their consent to the said appointment, and also confirmed that their appointment, if made, would be within the limits specified under Section 141(3)(g) of the Act. They have further confirmed that they are not disqualified to be appointed as statutory auditor in terms of the provisions of the proviso to Section 139(1), Section 141(2) and Section 141(3) of the Act and the provisions of the Companies (Audit and Auditors) Rules, 2014.

The Audit Committee and the Board of Directors recommend to the shareholders to appoint M/s. Shah Gupta & Co., Chartered Accountants, as statutory auditors of the Company from the conclusion of the ensuing Annual General Meeting till the conclusion of the 29<sup>th</sup> Annual General Meeting to be held in the FY 2022-23.

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

### **• SECRETARIAL AUDITORS' & SECRETARIAL AUDITORS' REPORT:**

The Secretarial Auditors, **M/s. HS Associate, Practicing Company Secretary, Mumbai (Certificate of Practice No. 1483)**, have issued Secretarial Audit Report for the Financial Year 2016-17 pursuant to provisions of Section 204 of the Companies Act, 2013, read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, which is annexed as **"Annexure B"** and forms part of this Report.

The Secretarial Audit Report for the year under review contains certain remarks, the management's reply for the same is as mentioned below:

<b>Sr.</b>	<b>Auditor's Remark</b>	<b>Management's Reply</b>
1.	The Company has not submitted the brief Profile for appointment and resignation of the Independent Director to BSE as per Regulation 30 of LODR	With reference to the observations made by the Secretarial Auditors in their Report, Directors wishes to state that the submission of brief profile was missed due to the overlook of the provisions of Regulation 30 of LODR. The management has ensured that now onwards the utmost care will be taken with respect to the Compliance of LODR provisions.
2	As per Regulation 31 of LODR, 2015, Minor Promoter Shareholding is not in Demat Form	With reference to the observations made by the Secretarial Auditors in their Report, Directors wishes to state that the Company is under process of dematerializing the shareholding of the minor promoter

### **8. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS BY THE COMPANY UNDER SECTION 186**

The details of Loan, Guarantees and Investments made by the Company under the provisions of Section 186 of the Companies Act, 2013 are provided in the notes to the Financial Statements.

### **9. RELATED PARTY TRANSACTION**

All contracts/ arrangements/ transactions entered by the Company during the financial year with related parties were on arm's length basis and were in the ordinary course of business and on arm's length basis. As provided under section 134(3)(h) of the Act and Rules made thereunder disclosure of particulars of material transactions with related parties entered into by the Company with related parties in the prescribed format annexed to this report as **"Annexure C"**.

## **DIRECTORS' REPORT**

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: [www.ladderup.com](http://www.ladderup.com)

The details of the transaction with related parties are provided in the accompanying financial statements.

### **10. SUBSIDIARY & ASSOCIATE**

The Company has one subsidiary i.e. Ladderup Wealth Management Private Limited. During the year, the Board of Directors ('the Board') reviewed the affairs of the subsidiary. In accordance with Section 129(3) of the Companies Act, 2013, the Company has prepared consolidated financial statements of the Company and its subsidiary, which form part of the Annual Report. Further, a statement containing the salient features of the financial statement of our subsidiary in the prescribed format are given in notes to the financial statements. The statement also provides the details of performance and financial positions of the subsidiary.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and audited accounts of its subsidiary, are available on website of [www.ladderup.com](http://www.ladderup.com). These documents will also be available for inspection during the business hours at the registered office of the Company.

The Company's policy on material subsidiary as approved by the Board is uploaded on the Company's website at "Investors" section. The Company has one Associate i.e. Annapurna Pet Private Limited.

### **11. FINANCIAL HIGHLIGHTS AND COMPANY AFFAIRS**

#### **Consolidated Performance**

Your Company has earned total revenue of INR 1837.07 lakhs in FY 2016-17 as compared to INR 700.87 lakhs in FY 2015-16. The profit after tax in FY 2016-17 is INR 1306.81 lakhs as compared to INR 115.30 lakhs in FY 2015-16.

#### **Standalone Performance**

Your Company has earned total Profit of INR 1261.85 lakhs during the FY 2016-17 as against INR 254.66 lakhs in the FY 2015-16.

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

The Financial Year 2016-17 was relatively a better and uncertain year for companies operating in the financial services space. The global macroeconomic conditions as well as domestic market conditions converged simultaneously to create strong headwinds. There was perceptible impact on margins and profitability for most companies in the financial services space as well.

#### **Subsidiary Company**

##### **LADDERUP WEALTH MANAGEMENT PRIVATE LIMITED (LWMPL)**

Unlike the previous financial year, 2016-17 turned out to be a good year for the capital market. The Sensex rose by almost 17% during the year. Even RBI reduced interest rates. In this environment, most of our investment recommendations have done very well. The business has also been able to add fresh clients and improve the Assets Under Management.

During the FY 2016-17 the Company has achieved total revenue of INR 303 lakhs in FY 2016-17 (against INR 189 lakhs in previous year) and posted a profit of INR 45 lakhs for FY 2016-17 against a net loss of INR 43 lakhs in previous year. Ladderup Wealth Management Private Limited, the

## **DIRECTORS' REPORT**

subsidiary of your Company is engaged in the wealth management solutions for HNIs, SMEs and Corporates. This year the Company has overcome the loss of the previous year and has ended the year at a profit. The Company is hopeful for a better performance in the FY 2017-18 and it has chalked out extensive growth plans by increasing its product basket and addition of clients.

### **12. AMOUNT TRANSFERRED TO RESERVE**

During the Financial Year 2016-17 the Company has transferred ₹ 25,236,981/- equivalent to 20% of profit after tax of the Company to Special Reserve Account in compliance with Section 45IC of the RBI Act.

### **13. DIVIDEND**

In order to preserve funds for future activities, the Board of Directors of your Company do not recommend any Dividend for the FY 2016-17.

### **14. MATERIAL CHANGES**

During the Financial Year 2016-17 there are no material changes affecting the financial position of the company and affecting Financials Statement.

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

There was no technology absorption and no foreign exchange earnings or outgo, during the year under review. Hence, the information as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is to be regarded as Nil.

The Company has not entered into any technology transfer agreement.

### **16. RISK MANAGEMENT POLICY**

As per the provisions of the Companies Act, 2013 and as part of good corporate governance the Company has constituted the Risk Management Committee. The Committee has laid down the procedures to inform to the Board about the risk assessment and minimisation procedures and the Board shall be responsible for framing, implementing and monitoring the risk management plan and policy for the Company.

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues.

The Committee reviewed the risk trend, exposure and potential impact analysis carried out by the management. It was specifically confirmed to the Committee by the MD and the CFO that the mitigation plans are finalised and up to date, owners are identified and the progress of mitigation actions are monitored.

### **17. CORPORATE SOCIAL RESPONSIBILITY**

During the financial year 2016-17 the Company has earned the net profit Rs. 12.62 Lakhs. Therefore, pursuant to the provisions of Section 135 of the Companies Act, 2013 & Companies (Corporate Social Responsibility) Rules, 2014 the Company will constitute the Corporate Social Responsibility Committee & the committee will perform the desired functions on behalf of the Board in relation to the Corporate Social Responsibility of the Company.

**18. PREVENTION OF INSIDER TRADING**

As per the provisions of section 195 of the Companies Act, 2013 and SEBI (Prohibition of insider trading) Regulations, 2015. The Company has adopted a code of conduct for prevention of insider trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Directors and the designated employees have confirmed compliance with the Code.

**19. POLICY ON SEXUAL HARASSMENT OF WOMEN AT WORKPLACE**

The Company has zero tolerance towards sexual harassment at the workplace and towards this end, has adopted a policy in line with the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. All employees (permanent, contractual, temporary, trainees) are covered under the said policy. An Internal Complaints Committee has also been set up to redress complaints received on sexual harassment.

During the financial year under review, the Company has not received any complaints from any of the employees of the Company.

**20. PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and provisions of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The board also carried out annual performance evaluation of the working of its Audit, Nomination and Remuneration as well as stakeholder relationship committee. The Directors expressed their satisfaction with the evaluation process.

**21. SHARE CAPITAL**

The Issued, Subscribed and Paid-Up Equity Share Capital as on 31<sup>st</sup> March, 2017 was ₹ 12,85,26,000/- (Rupees Twelve Crores Eighty Five Lakhs Twenty Six Thousand Only). During the year under review, the Company has not issued any shares with differential voting rights nor granted any stocks options or sweat equity. As on 31<sup>st</sup> March, 2017 none of the Directors of the Company holds instrument convertible into equity shares of the Company.

**22. NON-DEPOSIT TAKING NON-BANKING FINANCIAL COMPANY**

The Company being registered as a Non-Banking Financial Institution on 24<sup>th</sup> February, 1998 In terms of the provisions of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007. Your Company is categorized as a Non-deposit taking Non-Banking Financial Company. The Company has not accepted any deposits from the public during the year pursuant to the provisions of Section 73 of the Companies Act, 2013.

## **DIRECTORS' REPORT**

### **23. CORPORATE GOVERNANCE**

Pursuant to Regulations 34 & 53 read with schedule V of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 the following forms part of this Annual Report and are enclosed/annexed to this report:

- Management Discussion and Analysis
- Report on Corporate Governance
- Declaration on Compliance with Code of Conduct
- Auditors' Certificate regarding compliance of conditions of Corporate Governance

### **24. COMMITTEES OF THE BOARD**

There are currently Six Committees of the Board, as follows:

1. Audit Committee
2. Stakeholders' Relationship Committee
3. Nomination & Remuneration Committee
4. Investment Committee
5. Risk Management Committee
6. Prevention of Sexual Harassment Committee

Details of all the Committees along with their charters, composition and meetings held during the year, are provided in the Corporate Governance Report.

### **25. DIRECTORS AND KEY MANAGERIAL PERSONNEL APPOINTED OR RESIGNED DURING THE YEAR**

Mr. Thallapaka Venkateswara Rao was appointed as Additional Director of the Company w.e.f 11<sup>th</sup> August, 2016 and later on regularised as Independent Director of the Company at 23<sup>rd</sup> Annual General Meeting of the Company held on 28<sup>th</sup> September, 2016. Mr. Kailasam Raghuraman, Independent Non-Executive Director of the Company has resigned from his post w.e.f. 11<sup>th</sup> August, 2016. The Board of Directors has placed on record its warm appreciation for the rich contribution made by him during his tenure as Director of the Company.

### **26. PARTICULARS OF EMPLOYEES**

The information required pursuant to Section 197 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard.

### **27. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

### **28. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company's internal control system is designed to ensure orderly and efficient conduct of its business, compliance with law and regulations including adherence to the Company's policies,

## DIRECTORS' REPORT

safeguarding of its assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting record, and the timely preparation of reliable financial information Internal Control system is supported by an Internal Audit Process. The Internal Audit Plans and Scope are well laid-out to ensure compliance with various applicable laws and internal policies. The Internal Auditors review the systems and procedures and advise on further improvements wherever required. The reports of the Internal Audit are reviewed by the Audit Committee and the Board of Directors of the Company.

All the transactions are properly authorised, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements..

### **29. VIGIL MECHANISM/WHISTLE BLOWER POLICY**

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behaviour of the company has adopted a vigil mechanism policy. This Policy can be viewed on the Company's website viz. [www.ladderup.com](http://www.ladderup.com) in the "Investors" Section.

### **30. ACKNOWLEDGEMENT**

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

**Date** : 12<sup>th</sup> August, 2017  
**Place** : Mumbai

**For and on behalf of the Board**

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

**Sd/-**  
**Sunil Goyal**  
*Managing Director*  
**DIN: 00503570**

**Sd/-**  
**Mangala Prabhu**  
*Director*  
**DIN: 06450659**

## FORM NO. MGT-9

## EXTRACT OF ANNUAL RETURN

(As on the financial year ended 31<sup>st</sup> March, 2017)

[Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014]

## I. REGISTRATION AND OTHER DETAILS

1	<b>CIN</b>	L67120MH1993PLC074278
2	<b>Registration Date</b>	01/10/1993
3	<b>Name of the Company</b>	Ladderup Finance Limited
4	<b>Category / Sub-Category of the Company</b>	Company Limited by shares / Indian Non- government Company
5	<b>Address of the Registered office and contact details</b>	A-102, Hallmark Business Plaza, Opposite Guru Nanak Hospital, Bandra (East), Mumbai-400051 Tel: +9140336363, Fax: +9140336364
6	<b>Whether listed company</b>	Yes
7	<b>Name, Address and Contact details of Registrar and Transfer Agent</b>	M/s. Sharex Dynamic (India) Private Limited. Luthra Ind Premises, Unit-1, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai-400 072, <b>Phone:</b> 022 2851 5644

## II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated

Sr. No.	Name and Description of main products/services	NIC Code of the Product/ service	% to total turnover of the company
1	Non-Banking Finance Companies	64990	100%

## III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-

Sr. No.	Name and Address of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Ladderup Wealth Management Private Limited A-102, Hallmark Business Plaza, Opposite Guru Nanak Hospital, Bandra (East), Mumbai 400051	U74140MH2008PTC177491	Subsidiary	67.00%	2(87)

Sr. No.	Name and Address of The Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
2	Annapurna Pet Private Limited A-201/202, Rajeshri Accord, Telly Cross Lane, Off. S.N Road, Near Station, Andheri (East), Mumbai	U25203MH2011PTC218187	Associate	45.81%	2(87)(ii)

#### IV. SHAREHOLDING PATTERN (Equity Share capital Break up as % to Total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	1,000,000	0	1,000,000	7.78	1,000,000	0	1,000,000	7.78	0
b) Central Govt.or State Govt.	0	0	0	0	0	0	0	0	0
c) Bodies Corporates	5,878,449	700	5,879,149	45.74	5,878,449	700	5,879,149	45.74	0
d) Bank/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
<b>Sub Total: (A) (1)</b>	<b>6,878,449</b>	<b>700</b>	<b>6,879,149</b>	<b>53.52</b>	<b>6,878,449</b>	<b>700</b>	<b>6,879,149</b>	<b>53.52</b>	<b>0</b>
<b>(2) Foreign</b>									
a) NRI- Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
<b>Sub Total (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>6,878,449</b>	<b>700</b>	<b>6,879,149</b>	<b>53.52</b>	<b>6,878,449</b>	<b>700</b>	<b>6,879,149</b>	<b>53.52</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
b) Banks/FI	0	0	0	0	0	0	0	0	0
C) Central govt	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIS	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>Sub Total (B)(1):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(2) Non Institutions</b>									
a) Bodies corporates									
i) Indian	2,978,347	537,500	3,515,847	27.36	2,969,424	537,500	3,506,924	27.28	-0.08
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	232,270	169,400	401,670	3.13	288,694	168,300	456,994	3.55	0.42
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	1,308,334	687,500	1,995,834	15.53	1,243,213	687,500	1,930,713	15.03	-0.5
c) Others (specify)									
Non Resident Indians	3,500	56,600	60,100	0.47	500	56,600	57,100	0.45	-0.02
Clearing Members	0	0	0	0	21,720	0	21,720	0.16	0.16
<b>SUB TOTAL (B)(2):</b>	<b>4,522,451</b>	<b>1,451,000</b>	<b>5,973,451</b>	<b>46.47</b>	<b>4,523,551</b>	<b>1,449,900</b>	<b>5,973,451</b>	<b>46.48</b>	<b>0.01</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>4,522,451</b>	<b>1,451,000</b>	<b>5,973,451</b>	<b>46.47</b>	<b>4,523,551</b>	<b>1,449,900</b>	<b>5,973,451</b>	<b>46.48</b>	<b>0.01</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>11,400,900</b>	<b>1,451,700</b>	<b>12,852,600</b>	<b>100</b>	<b>11,402,000</b>	<b>1,450,600</b>	<b>12,852,600</b>	<b>100</b>	<b>0</b>

**(ii) Shareholding of Promoters**

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Quiet Enterprises LLP	3,840,199	29.879	—	—	3,840,199	29.879	—
2	Sonu Portfolio Services Pvt Ltd	1,640,850	12.767	—	—	1,640,850	12.767	—
3	Chetan Securities Pvt. Ltd.	397,400	3.092	—	—	397,400	3.092	—
4	Usha Goyal	265,000	2.062	—	—	265,000	2.062	—
5	Santosh Singrodia	202,600	1.576	—	—	202,600	1.576	—
6	Manoj Singrodia HUF	176,000	1.369	—	—	176,000	1.369	—
7	Sunil Goyal HUF	133,600	1.039	—	—	133,600	1.039	—
8	Manoj Kumar Singrodia	121,400	0.945	—	—	121,400	0.945	—
9	Sunil Kumar Goyal	101,400	0.789	—	—	101,400	0.789	—
10	Ladderup Enterprises Pvt Ltd	700	0.005	—	—	700	0.005	—
	<b>Total</b>	<b>6,879,149</b>	<b>52.523</b>	<b>—</b>	<b>—</b>	<b>6,879,149</b>	<b>52.523</b>	<b>—</b>

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2016			Share holding at the end of the Year 31/03/2017			% of total Shares of the company
		No. of Shares at the beginning (01-04-2016) / end of the year (31-03-2017)	% of total Shares of the company	Date	Increasing / Decreasing in shareholding	Reason	No. of Shares	
	Not Applicable							

**(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2016			Share holding at the end of the Year 31/03/2017			% of total Shares of the company
		No. of Shares at the beginning (01-04-2016) / end of the year (31-03-2017)	% of total Shares of the company	Date	Increasing / Decreasing in shareholding	Reason	No. of Shares	
1	Indianivesh Capitals Limited	840,000	6.536	01/04/2016		No Change	0	0
	-Closing Balance			31/03/2017			840,000	6.536
2	Nabhshikha Financial Advisory Pvt. Ltd.	689,702	5.366	01/04/2016				
				15/04/2016	-3,500	Sold	686,202	5.339
				10/06/2016	-10,000	Sold	676,202	5.261
				30/06/2016	14,900	Buy	691,102	5.377
				08/07/2016	-18,000	Sold	673,102	5.237
				18/11/2016	-4,800	Sold	668,302	5.2
				30/12/2016	269	Buy	668,571	5.202
				10/02/2017	-6,685	Sold	661,886	5.15
	-Closing Balance			31/03/2017	18,186	Buy	680,072	5.291
3	Deepak Ghanshyam Ladha	642,880	5.002	01/04/2015			0	0
	-Closing Balance			06/05/2016	-1	Sold	642,879	5.002
				10/06/2016	1,000	Buy	643,879	5.01
				08/07/2016	-1	Sold	643,878	5.01
				15/07/2016	-1	Sold	643,877	5.01
				19/08/2016	-3	Sold	643,874	5.01
				26/08/2016	-4	Sold	643,870	5.01
				02/09/2016	-1,170	Sold	642,700	5.001
				09/09/2016	-3,200	Sold	639,500	4.976
				16/09/2016	-4,000	Sold	635,500	4.945
				23/09/2016	-3,500	Sold	632,000	4.917
				30/09/2016	-5,000	Sold	627,000	4.878
				07/10/2016	-4,000	Sold	623,000	4.847
				14/10/2016	-3,000	Sold	620,000	4.824
				21/10/2016	-8,600	Sold	611,400	4.757
				28/10/2016	-9,500	Sold	601,900	4.683
				04/11/2016	-6,700	Sold	595,200	4.631
				11/11/2016	-1,300	Sold	593,900	4.621
				25/11/2016	4,045	Buy	597,945	4.652
				02/12/2016	2,844	Buy	600,789	4.674
				09/12/2016	210	Buy	600,999	4.676
				16/12/2016	30	Buy	601,029	4.676

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year 01/04/2016			Share holding at the end of the Year 31/03/2017			% of total Shares of the company
		No. of Shares at the beginning (01-04-2016) / end of the year (31-03-2017)	% of total Shares of the company	Date	Increasing / Decreasing in shareholding	Reason	No. of Shares	
				23/12/2016	200	Buy	601,229	4.678
				13/01/2017	5	Buy	601,234	4.678
				20/01/2017	100	Buy	601,334	4.679
				03/02/2017	70	Buy	601,404	4.679
				10/02/2017	20	Buy	601,424	4.679
				17/02/2017	110	Buy	601,534	4.68
				24/02/2017	100	Buy	601,634	4.681
				03/03/2017	200	Buy	601,834	4.683
	-Closing Balance			31/03/2017			601,834	4.683
4	Spread Fintrade Limited	500,000	3.89	01/04/2016				
	-Closing Balance			31/03/2017		No Change	500,000	3.89
5	Zitura Investments & Finance Privtae Limited	500,000	3.89	01/04/2016				
	-Closing Balance			31/03/2017		No Change	500,000	3.89
6	Dilsukh Properties Private Limited	427,000	3.322	01/04/2016				
	-Closing Balance			31/03/2017		No Change	427,000	3.322
7	Dilip Shah	350,000	2.723	01/04/2016				
	-Closing Balance			31/03/2017		No Change	350,000	2.723
8	Nirmal D Shah	300,000	2.334	01/04/2016				
	-Closing Balance			31/03/2017		No Change	300,000	2.334
9	Anmol Insurance Consultants Private Limited	159,070	1.238	01/04/2016				
	-Closing Balance			31/03/2017		No Change	159,070	1.238
10	Softtrust Trading Company Private Limited	125,000	0.973	01/04/2016				
	-Closing Balance			31/03/2017		No Change	125,000	0.973
11	Rajesh Satyanarayan Murarka	143,500	1.117	01/04/2016				
				21/10/2016	-2500	Sold	141,000	1.097
				04/11/2016	-30,440	Sold	110,560	0.86
				11/11/2016	500	Buy	111,060	0.864
	-Closing Balance			31/03/2017			111,060	0.864

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Name of the Director / KMP	Shareholding at the beginning of the year		Changes During the Year		Shareholding at the end of the year		% change in share holding during the year
		No. of Shares	% of total Share capital	Increase	Decrease	No. of Shares	% of total Share capital	
1	Mr. Sunil Goyal	101,400	0.79%	—	—	101,400	0.79%	—
2	Mr. Manoj Singrodia	121,400	0.94%	—	—	121,400	0.94%	—
3	Mr. K V S ShyamSunder	—	—	—	—	—	—	—
4	Mr. K Raghuraman	—	—	—	—	—	—	—
5	Mr. Harsha Saksena	—	—	—	—	—	—	—
6	Mrs. Mangala Radhakrishna Prabhu	—	—	—	—	—	—	—
7	Mr. Suresh Kumar	—	—	—	—	—	—	—
8	Mr. T. V. Rao	—	—	—	—	—	—	—
9	Ms. Zarana Soni	—	—	—	—	—	—	—

**V. INDEBTEDNESS****Indebtedness of the Company including interest outstanding/accrued but not due for payment**

Particular	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	29,000,000	3,500,000	0	32,500,000
ii) Interest due but not paid	319,187	107,341	—	426,528
iii) Interest accrued but not due	—	—	—	—
<b>Total (i+ii+iii)</b>	<b>29,319,187</b>	<b>3,607,341</b>	<b>—</b>	<b>32,926,528</b>
<b>Change in Indebtedness during the financial year</b>				
Additions	124,887,768	69,041	—	124,956,809
Reduction	60,173,927	3,676,382	—	63,850,309
<b>Net Change</b>	<b>64,713,841</b>	<b>-3,607,341</b>	<b>—</b>	<b>61,106,500</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	92,761,027	—	—	92,761,027
ii) Interest due but not paid	—	—	—	—
iii) Interest accrued but not due	1,272,001	—	—	1,272,001
<b>Total (i+ii+iii)</b>	<b>94,033,028</b>	<b>—</b>	<b>—</b>	<b>94,033,028</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl. No.	Particulars of Remuneration	Sunil Goyal (Managing Director)	Total Amount
1	<b>Gross salary</b>	9,600,000 p.a.	9,600,000 p.a.
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.		—
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	—	—
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	—	—
2	Stock option	—	—
3	Sweat Equity	—	—
4	Commission	—	—
	as % of profit	—	—
	others (specify)	—	—
5	Others, please specify	—	—
	<b>Total (A)</b>	<b>9,600,000</b>	<b>9,600,000</b>
	<b>Ceiling as per the Act</b>	As per Section 197 read with Schedule V of the Companies Act, 2013	

### B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Mr. K.V.S Shyam Sunder	*Mr. T. V.Rao	Mr. Harsha Saxena	Mrs. Mangala Prabhu	*Mr. K. Raghu raman	Mr. Manoj Singrodia	
1	<b>Independent Directors</b>							
	(a) Fee for attending board committee meetings	40,000	30,000	30,000	30,000	20,000	—	150,000
	(b) Commission	—	—	—	—	—	—	—
	(c) Others, please specify	—	—	—	—	—	—	—
	<b>Total (1)</b>	<b>40,000</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>	<b>20,000</b>	<b>—</b>	<b>150,000</b>
2	<b>Executive Directors</b>							
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	—	—	—	—	—	—	—
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	—	—	—	—	—	—	—
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	—	—	—	—	—	—	—
	Other Non Executive Directors	—	—	—	—	—	—	—
	(a) Fee for attending board committee meetings	—	—	—	—	—	—	—
	(b) Commission	—	—	—	—	—	—	—
	(c) Others, please specify.	—	—	—	—	—	—	—
	<b>Total (2)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
	<b>Total (B)=(1+2)</b>	<b>40,000</b>	<b>30,000</b>	<b>30,000</b>	<b>30,000</b>	<b>20,000</b>	<b>-</b>	<b>150,000</b>

\*Mr. K. Raghuraman, Independent Non-Executive Director resigned from the Company w.e.f 11<sup>th</sup> August, 2016.

\*Mr. T. V. Rao, was appointed as an Additional Director w.e.f 11<sup>th</sup> August, 2016 and Regularised in the Annual General Meeting held on 28<sup>th</sup> September, 2016.

### C. Remuneration To Key Managerial Personnel Other Than MD/Manager/WTd

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr. Suresh Kumar (Chief Financial Officer)	Mr. Sanket Limbachiya* (Company Secretary)	
1	Gross Salary	742,500	600,004	1,342,504
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	—	—	—
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	—	—	—
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	—	—	—
2	Stock Option	—	—	—
3	Sweat Equity	—	—	—
4	Commission	—	—	—
	as % of profit	—	—	—
	others, specify	—	—	—
5	Others, please specify	—	—	—
	<b>Total</b>	<b>742,500</b>	<b>600,004</b>	<b>1,342,504</b>

\* Mr. Sanket Limbachiya has resigned from the post of Company Secretary w.e.f. 31<sup>st</sup> May, 2017.

### VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—
<b>B. DIRECTORS</b>					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—

Regd. Office:

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

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

**Mangala Prabhu**  
Director  
**DIN: 06450659**

Date: 12<sup>th</sup> August, 2017  
Place: Mumbai

**Secretarial Audit Report****Form No. MR-3****For the financial year ended on 31<sup>st</sup> March, 2017.**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To

The Members,

**LADDERUP FINANCE LIMITED.**

We have conducted the Secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Ladderup Finance Limited (hereinafter called "The Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our limited verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period ended on 31<sup>st</sup> March, 2017, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We herewith report that maintenance of proper and updated Books, Papers, Minutes Books, filing of Forms and Returns with applicable regulatory authorities and maintaining other records is responsibility of management and of the Company. Our responsibility is to verify the content of the documents produced before us, make objective evaluation of the content in respect of compliance and report thereon. We have examined on test check basis, the Books, Papers, Minute Books, Forms and Returns filed and other records maintained by the Company and produced before us for the financial year ended March 31, 2017, as per the provisions of:

- I. The Companies Act, 2013 ("The Act") and the Rules made thereunder;
- II. The Securities Contracts (Regulation) Act, 1956 ("SCRA") and the Rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- IV. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") to the extent applicable to the Company: -
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 (upto 14<sup>th</sup> May 2015) and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (effective from 15<sup>th</sup> May, 2015)
  - c. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993
- V. The Management has identified and confirmed the applicable Acts, Laws and Regulations specifically applicable to the Company as mentioned bellows:
  - i) Reserve Bank of India Act, 1934
  - ii) All the Rules, Regulations, Guidelines and Circulars applicable to Non-Banking Financial Companies under the RBI Act, 1934.

We have also examined compliances with the applicable clauses of the following:

- i) Secretarial Standards 1 and 2 issued by The Institute of Company Secretaries of India.
- ii) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 (with effect from 1<sup>st</sup> December, 2015);

During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, and Standards, etc. as mentioned above subject to the following observations:

- The Company has not submitted the brief Profile for appointment and resignation of the Independent Director to BSE as per Regulation 30 of LODR.
- As per Regulation 31 of LODR, 2015, Minor Promoter Shareholding is not in Demat Form.

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors were took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has:

1. Approved Appointment of Mr. Thallapaka Venkateswara Rao as an Independent Director and Resignation of Mr. K. Raghuraman as an Independent Director of the Company with effect from 11<sup>th</sup> August, 2016.
2. Approval of Remuneration of Mr. Sunil Goyal, Managing Director of the Company has been sought in the Annual General Meeting held on 28<sup>th</sup> September, 2016.
3. As per Regulation 9 Schedule B of Prohibition of Insider Trading Regulations, 2015, trading window was not closed for 24 hours instead of 48 hours.

Date: 12<sup>th</sup> August 2017  
Place: Mumbai

**For HS Associates  
Company Secretaries**

**Nitin Sarfare**  
Partner  
ACS No.: 36769  
CP No.: 13729

## Form No. AOC-2

[Pursuant to clause [h] of Sub-Section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014]

**A. Details of contracts or arrangements or transactions not at arm's length basis:**

There were no contracts or arrangements or transactions entered into with related parties during the year, which were not at arm's length basis.

**B. Details of material contracts or arrangements or transactions at arm's length basis:**

Sr. No.	Name of the Related Party and Nature of Relationship	Nature of contract/ arrangement or transactions	Duration of contract / arrangement or transactions	Salient terms of the contract / arrangement or transaction, including value, if any	Date of approval by the Board of Directors	Amount paid as advance, if any
1.	Nil	Nil	Nil	Nil	Nil	Nil

**Date** : 12<sup>th</sup> August, 2017  
**Place** : Mumbai

**For and on behalf of the Board**

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

**Sd/-**  
**Sunil Goyal**  
*Managing Director*  
**DIN: 00503570**

**Sd/-**  
**Mangala Prabhu**  
*Director*  
**DIN: 06450659**

## MANAGEMENT'S DISCUSSION AND ANALYSIS

### LADDERUP IN FY 2017 – BUSINESS & FINANCIAL PERFORMANCE

#### Ladderup Finance Ltd (LFL)

LFL being a registered NBFC with RBI has been primarily engaged into A) Investing in securities of listed and unlisted companies and B) Lending activities.

The investment portfolio of your company is diversified across various sectors such as financial services, healthcare, retail, packaging, information technology, real estate, etc. Your Company as in the last few years continues to evaluate investment opportunities in asset based transactions with good growth prospects. Further the Company is also looking at evaluating lending activities in a selective manner.

For Financial Year 2016-17 on a standalone basis, the Company's profit after tax stood at INR 1262 Lacs as against INR 255 Lacs in the previous year thereby an increase in profits of about 395% as compared to the previous year.

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

LWMPL's business is getting momentum and the company has done well during the year. The company has a niche business of advising clients on right investing across asset classes. It has always been endeavor of the company to ensure safety first and then maximize the return. For Financial Year 2016-17 the Company's profit after tax stood at INR 44.96 Lacs as against loss of INR 42.62 Lacs in the previous year.

The Company continues to adopt its best practices while continuously evolving to improve the service delivery to clients through integrity, transparency and competence.

### ECONOMIC & INDUSTRY OVERVIEW

GDP growth is expected to exceed the 7% mark in FY 2018 after suffering from the transient negative impact of demonetization in FY 2017. On the contrary, demonetization is expected to leave a positive impact on the economy through greater tax compliance, increased digitalization and investments in capital formation. Besides, in order to mitigate the adverse impact of demonetization, several pro-poor and pro-rural initiatives have been taken in the budget to spur demand, contributing towards economic growth.

Demonetization also led to an increase in bank deposits. Flushed with cash, the banks are expected to cut lending rates. Real-estate prices are also expected to remain low.

The Goods and Services Tax (GST) Bill has implemented by 1 July, 2017, and it is likely to lead to spurring growth, competitiveness, indirect tax simplification and greater transparency. Apart from widening of the tax net, GST will also contribute significantly to the GDP. However, although making projections and targets for GST revenue in its first year of implementation would be difficult, we believe that GST will help boost GDP figures, and the estimated impact on the GDP may vary between 1% to 2%.

While a fiscal deficit of 3.5% of the GDP was achieved in 2016–17, the expected fiscal deficit for 2017–18 is 3.2% of the GDP, which looks achievable given the expected thrust in tax collection after the implementation of GST and also greater tax compliance after demonetization.

The current account deficit has declined to reach about 0.3% of the GDP in the first half of the year 2017, and it is expected to be at around sub-one percent level in FY 2018.

### FINANCIAL SERVICES INDUSTRY

India has a diversified financial services sector and RBI has introduced several reforms to liberalize, regulate and enhance the sector.

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

From the perspective of larger financial system, SCBs continued to be the dominant players accounting for nearly 51 per cent of the bilateral exposure followed by asset management companies managing mutual funds (AMC-MFs), non-banking financial companies (NBFCs), all-India financial institutions (AIFIs), insurance companies and housing finance companies (HFCs). The Assets under management by Mutual Funds (AUM) touched an all-time high of more than 17.5 trillion by end-March 2017. Under asset quality pressures, credit intermediation by banks has retrenched and that by NBFCs and mutual funds has increased significantly. The Indian life insurance industry has begun to recover and is likely to report 12-15% growth in financial year 2016-17.

Going forward, reforms in foreign direct investment, implementation of goods and services tax (GST), and revival in external demand are likely to contribute to a better growth outlook.

### **NON BANKING FINANCE COMPANY (NBFC)**

Coming to Non-banking finance company (NBFC) industry, India Ratings and Research (Ind-Ra) has maintained a stable outlook on the NBFC sector and on the major NBFCs rated by it for FY 18. The sector is expected to continue expanding the assets classes and take higher market share at the cost of mid-sized banks.

The agency predicted large NBFCs to grow 16% year-on-year (YoY) in FY 17 and 21% YoY in FY 18, which on the system-wide basis would be close to one third of the total system's incremental credit. Arge NBFCs are likely to grow at 14% in the financial year 2016-17. NBFC sector expanded by 14.5 per cent during 2016-17, their net profit was down by 2.9 per cent.

Both the regulator and government have been maintaining a favourable stance towards the NBFC sector; starting with the latest announcement where SME loans up to Rs. 2 crores by NBFCs will be covered under the credit guarantee fund trust for micro and small enterprises and the government notification, covering systemically important NBFCs under the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 (SARFAESI Act). These measures would strengthen the NBFCs' ability to lend and mitigate loss given default while speeding up recovery timelines.

With the company's major funding stake in the auto sector, the outlook remains positive. The growth in the sector is estimated around 6%-9% primarily driven by the volume increase in passenger vehicles and light commercial vehicles amidst expected de-growth in medium and heavy commercial vehicles (MHCVs) due to slowdown in the industrial activity. While the auto growth numbers are reported in unit terms, there is a higher growth achievement in value terms due to inflation, advent of new technology resulting in higher cost, and more importantly a continuous shift from lower tonnage to higher tonnage across product categories. This augurs well for NBFCs whose asset size is dependent on the value of the asset funded. The Company dynamically monitors critical parameters, to keep ahead of the curve.

Large NBFCs are likely to grow at 14% in the financial year 2016-17.

NBFC sector expanded by 14.5 per cent during 2016-17, their net profit was down by 2.9 per cent.

### **WEALTH MANAGEMENT**

The Financial Year 2016-17 was action-packed to say the least. Events ranged from the concerns around hard landing of the Chinese economy to Brexit event to a rise in the negative yield-bearing assets globally to the stupendous demonetization drive in India to the US presidential election victory of Donald Trump.

On the equity market front, a slowdown in the Chinese economy, UK's vote to exit the EU, weakness in global trade growth, policy normalization by the US Federal Reserve, rise in global commodity prices and the US elections weighed on the market movements during the year. However, January 2017 onwards, the markets witnessed some revival on the back of easing woes of demonetization, BJP's victory in Uttar

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

Pradesh (India's most populous state) and record flows into India-focused equity funds (around \$4 Bn from January – March 2017).

Indian fixed income markets which started the year on a cautious note, had a lot to cheer in 2016 especially post demonetization. There was a steep drop in 10-year benchmark yield by around 113 bps during the year which stood out amongst developed and emerging markets.

Overall, we continue to hold a very positive outlook on the Indian equity space on the back of strong macroeconomic fundamentals and corporate earnings growth revival expected this fiscal. On the Debt front, we strive to remain cautious and avoid taking unnecessary risks on interest rate movements as well as credit calls.

### **OPPORTUNITIES:**

The sentiment in the Indian financial market has changed considerably over the past few years; the economic growth, though subdued for last couple of years, is likely to show positive momentum over the coming years. This has presented opportunities for lending to Indian corporate and investments in the vibrant secondary as well as primary markets. The following factors present specific opportunities across our businesses include:

- Growing Corporate activities and related need for investments;
- Credit penetration in India is low as compared to other economies. On similar benchmarks, the non-bank finance penetration in India is even lower;
- Growing midsize segment of corporate activity where the need for customised solution is particularly high;
- Low penetration of financial services and products in India along with unique nature of credit demand makes difficult traditional bank lending;
- Digital trends in consumer and MSME to offer new disruptive opportunities for innovation and partnerships;
- Deepening of wholesale debt markets to provide easier access to funds
- Regulatory reforms including policy framework aiding greater participation by all class of investors;
- Growing Financial Services industry's share of wallet for disposable income;
- Wealth management business is transforming from mere wealth safeguarding to growing wealth;
- Emerging technology to enable best practices and processes;
- Size of the Indian capital market and favourable demographics like huge middle class, relatively large younger population with disposable income and investible surplus and risk taking abilities of the youth.

### **THREATS:**

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

- Impact on economic growth of the rising prices of oil and industrial raw materials, decelerating investment demand and high inflation;
- Regulatory changes impacting the landscape of business;
- Increased competition from local and global players operating in India;

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

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

### **RISK MANAGEMENT:**

The risk for the Company arises mainly out of the risks associated with the operations we carry. Experienced professionals review and monitor risks in our Company. We have comprehensive risk management policies and processes for risk identification, risk assessment and risk mitigation planning for business, strategic, operational, financial and compliance related issues. The management also periodically reviews the policies and procedures and formulates plans for control of identified risks and improvements in the systems.

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

### **HUMAN RESOURCES:**

The Human Resources initiative focuses on structured training programs (both in-house and external) intended to equip employees at all levels, with the necessary knowledge and experience in order to demonstrate high levels of performance.

Ladderup believes in taking care of its employees and ensuring that their career aspirations are met through professional growth, personal development and fair economic rewards.

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

### **INTERNAL CONTROL AND THEIR ADEQUACY:**

Your Company being in lending and investment industry, has put in place an adequate internal control system to safeguard all assets and ensure operational excellence. The system also meticulously records all transaction details and ensures regulatory compliance.

### **OUTLOOK:**

The year 2016-17 saw rapid macroeconomic changes, fast changing business conditions, evolving consumer preferences and increasingly disruptive market environment that drove corporations to significantly rethink the manner in which they operate. India continued to witness steady economic growth despite a volatile internal and weak external environment. Decline in commodity prices, low fiscal deficit, depreciation of the rupee vis-a-vis the dollar and the demonetization exercise all resulted in disruption in the rural as well urban market conditions. The Wholesale Price Index inflation inched up to 6.55% for the month ending February, on the back of the quick surge in economy in the remonetisation phase. Overall GDP growth in the fiscal settled at around 7.6%, driven by the industry and services sector. Structural shifts in inflation are due to lower oil prices, deceleration in agriculture prices & wages and improved household consumption. Revenue deficit and fiscal deficit targets for the next fiscal have been reduced to 2.1% and 3.2% of the GDP respectively, outlining the Government's intent to spend well within its means. The Government took steps to develop functional autonomy for the Railways by stopping the British era practice of announcing a separate Rail budget. Current account deficit (CAD) declined from 1% to 0.3% in the first half of the last fiscal. However, the uncertainty around commodity prices especially oil is likely to have an impact

## **MANAGEMENT'S DISCUSSION AND ANALYSIS**

of Government's finances in case of a rapid spike in oil prices. The focus on incoming FDI and landmark policies like labour reforms, GST, Aadhaar based targeted subsidy is likely to fuel inclusive growth. The recent demonetization exercise resulting in brief but nationwide lull in the trading and business environment up till the middle of January. This led to a spurt in non-cash business transactions involving banks, credit & debit cards and payment wallets, amongst others. However, following the remonetisation, business has picked up faster than expected. The spurt in non-cash transactions resulted in higher tax collections for both direct & indirect taxes benefiting the Government's fiscal agenda of containing the annual fiscal deficit defined within the budget. The vision of the Central Government is likely to fuel inclusive growth. The same is apparent from industry wide appreciation for GST, which is on track to be rolled out from July 1, this year, and is being touted at the single biggest economic reform in the history of independent India. While, the initial taxation hiccups are likely in terms of compliance laws, business education and technological system upgradation, the mid to long term growth is likely to outdo any short term negative effects. The initial tax slabs are likely to be on the lower side, thereby containing the tax shock that has been feared to lead to a higher inflation on account of GST.

### **CAUTIONARY STATEMENT:**

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

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

## CORPORATE GOVERNANCE REPORT

The Directors' Report on the compliance of the Corporate Governance Code is given below.

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

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

### 2. BOARD OF DIRECTORS

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

The composition of the Board is in conformity with the Listing Regulations and the Companies Act, 2013 ('the Act'). As on 31<sup>st</sup> March, 2017, the Board comprised of Six Directors consisting of two Non-Executive Independent Directors, one Executive Director and three Non-Executive Directors. None of the Non-Executive Director is responsible for day-to-day affairs of the Company.

**The Composition and Category of the Board of Directors during the FY 2016-17 was as follows:**

Name of the Directors	Category
Mr. K. V. S. ShyamSunder	Independent Non-Executive Director
*Mr. T. V. Rao	
*Mr. K. Raghuraman	
Mr. Sunil Goyal, Managing Director	Executive Director
Mrs. Mangala Radhakrishna Prabhu	Non-Executive Director
Mr. Harsha Saxena	
Mr. Manoj Singrodia	

***\*Mr. T. V. Rao was appointed as an Additional Independent Director w.e.f. 11<sup>th</sup> August, 2016 and Regularised in the Annual General Meeting held on 28<sup>th</sup> September, 2016.***

***\* Mr. K. Raghuraman has resigned from the post of Director w.e.f. 11th August, 2016.***

#### Meetings and Attendance

The Company's Governance Policy, which is in pursuance with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, is strictly followed by the Board. The Board meets at regular intervals to discuss and decide on Company's business policy along with the other Board business. However, in case of a special and urgent business need, the Board approval is taken by passing resolution by circulation, as permitted by law, which is then confirmed in the ensuing Board Meeting.

## CORPORATE GOVERNANCE REPORT

Four Board Meetings were held during the financial year 2016-17 complying with the requirement of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The maximum interval between any two consecutive Board meetings was well within the allowable gap of one hundred and twenty days. The dates on which the meetings were held are 26<sup>th</sup> May, 2016, 11<sup>th</sup> August, 2016, 8<sup>th</sup> November, 2016 and 10<sup>th</sup> February, 2017.

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

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

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

- Annual Operating Plans of business and any updates thereon;
- Quarterly Results of the Company and its Subsidiaries along with the operating divisions or business segments;
- Statement of significant and other arrangements entered by the Company or its Subsidiaries;
- Status of legal compliances;
- Formation/Re-constitution of the Board Committees;
- Minutes of Unlisted Subsidiaries and Audit Committee and other committees of the board;
- Inter-Corporate Investment, Loans and Guarantees;
- Appointment/Resignation of Directors/Senior Managerial Personnel/ Key Managerial Personnel;
- General Notice of Interest of Directors;
- All other matters required to be placed before the Board for its review/information/approval under the statutes including Regulations 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

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

Name of the Director	Attendance at Meetings held during financial year 2016-17		Directorship in other Indian Public Limited Companies <sup>1</sup>	No. of Board Committees in which Director is Chairman/ Member <sup>2</sup>	
	Board Meetings	Last AGM held on 28 <sup>th</sup> September, 2016		Chairman	Member
Mr. K.V.S. ShyamSunder	4	Present	2	—	1
Mr. T. V. Rao <sup>3</sup>	2	Present	8	3	8
Mr. K. Raghuraman <sup>4</sup>	2	—	—	—	—
Mr. Sunil Goyal	4	Present	4	3	4

## CORPORATE GOVERNANCE REPORT

Name of the Director	Attendance at Meetings held during financial year 2016-17		Directorship in other Indian Public Limited Companies <sup>1</sup>	No. of Board Committees in which Director is Chairman/ Member <sup>2</sup>	
	Board Meetings	Last AGM held on 28 <sup>th</sup> September, 2016		Chairman	Member
Mr. Harsha Saxena	3	Present	1	—	—
Mr. Manoj Singrodia	4	Present	1	—	—
Mrs. Mangala Radhakrishna Prabhu	3	Present	5	—	4

- The Directorships exclude Private Limited Companies, Foreign Companies, Section 8 Companies and Alternate Directorship.*
- In accordance with the Regulation 26 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Membership/ Chairmanship include Audit Committee, Stakeholders Relationship Committee and Nomination & Remuneration Committee in all Public Limited Companies. None of the Director on the Board is a Member of more than Ten Committees or a Chairman of more than Five Committees, across all the Companies in which they are Directors. The Directors have made the necessary disclosures regarding Committee positions.*
- Mr. T. V. Rao, was appointed as an Additional Director w.e.f. 11<sup>th</sup> August, 2016 and regularised in the Annual General Meeting held on 28<sup>th</sup> September, 2016.*
- Mr. K. Raghuraman, Independent Non-Executive Director resigned from the Company w.e.f. 11<sup>th</sup> August, 2016.*

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

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

### **Separate Meeting of Independent Directors**

A separate meeting of Independent Directors of the Company, without the attendance of Non-Independent Directors and members of management, was held on 14<sup>th</sup> February, 2017 as required under Schedule IV to the Act (Code of Independent Directors) and Regulation 25(3) of the Listing Regulations. At the Meeting the Independent Directors:

- Reviewed the performance of Non-Independent Directors and the Board as a whole;
- Reviewed the performance of the Chairman of the Company, taking into account the views of Executive and Non-Executive Directors; and
- Assessed the quality and timelines of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform the duties.

### **3. BOARD COMMITTEES**

Currently, there are 6 Board Committees – Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Investment Committee, Risk Management Committee and Prevention of Sexual Harassment Committee. The terms of reference of these Committees are defined by the Board from time-to-time. Meeting of each Board Committee is convened by the respective Committee Chairman. The signed minutes of the Committee Meetings are placed before the Board for information and noting. Matters requiring Board's attention are generally discussed with the Board members. The role and composition of these Committees including the number of Meetings held during the financial year and their respective attendance details are provided below.

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

All the items listed in Regulation 18(3) read with Part C of Schedule II of the Listing Regulations and in Section 177 of the Act are covered in the terms of reference.

##### **Terms of Reference**

- a) Oversight of the Company's financial reporting process and disclosure of its financial information;
- b) Recommending to the Board the appointment, re-appointment and removal of statutory auditors, cost auditors, branch auditors and fixation of their remuneration;
- c) Approval of payments to statutory auditors for any other services rendered by them;
- d) Reviewing with management the annual financial statements and auditor's report thereon before submission to the Board for approval, focusing primarily on;
  - Matters required to be included in the Director's Responsibility statement to be included in the Board Report in terms of clause (c) of sub-section 3 of Section 134 of the Companies Act, 2013;
  - Any changes in accounting policies and practices and reasons for the same;
  - Major accounting entries involving estimates based on exercise of judgments by management;
  - Qualifications in draft audit report;
  - Significant adjustments made in the financial statements arising out of audit;
  - The going concern assumption;
  - Compliance with accounting standards;
  - Compliance with listing and legal requirements concerning financial statements;
  - All related party transactions i.e., transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc.
- e) Reviewing with the management, statutory and internal auditors, internal financial controls and risk management system;
- f) Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board;
- g) Reviewing with the management the quarterly and half yearly financial results before submission to the Board;

## **CORPORATE GOVERNANCE REPORT**

- h) Reviewing the adequacy of internal audit functions, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- i) Scrutinising the inter-corporate loans & investments;
- j) Discussion with Internal Auditors, any significant findings and follow up thereon;
- k) Reviewing the findings of any internal investigations by the 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;
- l) Approval or any subsequent modification of transactions of the Company with related parties;
- m) To look into reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- n) Review and monitor the auditor's independence and performance, and effectiveness of audit processes;
- o) To review the functioning of the Whistle Blower and Vigil mechanism;
- p) Valuation of undertaking or assets of the company wherever it is necessary;
- q) Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- r) All such other functions as may be specified from time-to-time;
- s) Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;

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

The Board has constituted a well-qualified Audit Committee. The majority members of the Committee are Non-Executive Independent Directors including Chairman. They possess sound knowledge on accounts, audit, finance, taxation, internal controls etc. The Company Secretary acts as Secretary to the Committee in terms of Companies Act, 2013 and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

During the financial year 2016-17 four Meetings were held 26<sup>th</sup> May, 2016, 11<sup>th</sup> August, 2016, 8<sup>th</sup> November, 2016 and 10<sup>th</sup> February, 2017.

Name of the Members	Category	No. of Meetings attended
Mr. K V S ShyamSunder	Chairman (Independent Non-Executive Director)	4
Mr. T. V. Rao <sup>1</sup>	Member (Independent Non-Executive Director)	2
Mr. K. Raghuraman <sup>2</sup>	Member (Independent Non-Executive Director)	2
Mr. Sunil Goyal	Member (Managing Director)	4

1. *Mr. T. V. Rao, Independent Director was appointed as Member of Audit Committee w.e.f 11<sup>th</sup> August, 2016*
2. *Mr. K. Raghuraman, Member of the Audit Committee resigned from Directorship w.e.f 11<sup>th</sup> August, 2016.*

**b) Stakeholders Relationship Committee**

**This Committee is responsible for satisfactory redressal of investors' complaints and recommends measures for overall improvement in the quality of investor services.**

This Committee oversees redressal of Shareholders'/Investors' Grievances and is empowered to perform the following functions on behalf of the Board in relation to handling of Shareholders'/Investors' Grievances. The Broad terms of reference and functions of the Stakeholders Relationship Committee are as follows:

1. The Committee is entrusted with the responsibility to resolve the grievances of security holders.
2. The Committee monitors and reviews the performance and service standards of the Registrar and Share Transfer Agents of the Company and provides continuous guidance to improve the service levels for investors.
3. The Committee monitors implementation and compliance with the Company's Code of Conduct for Prohibition of Insider Trading in pursuance of SEBI (Prohibition of Insider Trading) Regulations, 2015.
4. The Stakeholders Relationship Committee, *inter alia*, approves issue of duplicate certificates and oversees and reviews all matters connected with transfer of securities of the Company.

***Composition, Meetings and Attendance***

The Committee presently comprises of three Members, one of whom is Independent Director. The Chairman of the Committee is an Independent Non-Executive Director.

During the financial year 2016-17 four meetings were held on 26<sup>th</sup> May, 2016, 11<sup>th</sup> August, 2016, 8<sup>th</sup> November, 2016 & 10<sup>th</sup> February, 2017

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

**Compliance Officer**

The Company has appointed Mr. Sanket Limbachiya, Company Secretary of the Company as a Compliance Officer of the Company.

**Shareholders'/Investors' Redressal**

During the year under review, the Company did not receive any complaints for non-receipt of transferred Share Certificates, Annual Reports, Warrants etc. and hence question of Complaints not solved and complaints pending as on 31<sup>st</sup> March, 2016 does not arise. To expedite these processes the Board has delegated necessary powers to the Registrar and Share Transfer Agents viz. M/s. Sharex Dynamic (India) Private Limited.

**c) Nomination & Remuneration Committee**

The Broad terms of reference and functions of the Nomination and Remuneration Committee are as follows:

## **CORPORATE GOVERNANCE REPORT**

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of Independent Directors and the Board;
- Devising a policy on Board diversity;
- Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal. The company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.

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

The Nomination & Remuneration Committee comprises of three Non-Executive Directors, and the Chairman is an Independent Non-Executive Director. During the financial year 2016-17, one meeting of the Committee was held on 11<sup>th</sup> August, 2016.

<b>Name of the Members</b>	<b>Category</b>	<b>No. of Meeting Attended</b>
Mr. K.V.S. ShyamSunder	Chairman (Independent Non-Executive Director)	1
Mr. T. V. Rao <sup>1</sup>	Member (Independent Non-Executive Director)	-
Mr. K. Raghuraman <sup>2</sup>	Member (Independent Non-Executive Director)	1
Mr. Manoj Singrodia	Member (Non-Executive Director)	1

1. *Mr. T. V. Rao, Independent Director was appointed as Member on Nomination and Remuneration Committee w.e.f 11<sup>th</sup> August, 2016.*
2. *Mr. K. Raghuraman, Member of the Nomination and Remuneration Committee resigned w.e.f 11<sup>th</sup> August, 2016.*

### ***Performance Evaluation Criteria***

Pursuant to the provisions of the Companies Act, 2013 and provisions of SEBI (Listing Obligation And Disclosure Requirement) Regulations, 2015, a separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The Board also carried out annual performance evaluation of the working of its Audit, Nomination and Remuneration as well as Stakeholder Relationship Committee. The Directors expressed their satisfaction with the evaluation process.

### ***Nomination & Remuneration Policy***

Pursuant to the provisions of SEBI (Listing Obligation & Disclosure Requirements) Rules, 2015 and upon recommendation by the Nomination & Remuneration Committee, the Board of Directors, at its meeting held in the previous financial year on 13<sup>th</sup> February, 2015, approved and adopted the Nomination & Remuneration Policy. This Policy can be viewed on the Company's website viz. [www.ladderup.com](http://www.ladderup.com) in the "Investors" Section.

The Nomination & Remuneration Policy aims at attracting and retaining high caliber talent. The policy of the Company is in consonance with the existing industry practice. The remuneration

## CORPORATE GOVERNANCE REPORT

package of the Executive Directors is determined by the Nomination and Remuneration Committee within the permissible limits, subject to approval by the Board and Shareholders in the General Meeting and as per applicable provisions of the Companies Act, 2013. The Executive Directors are paid remuneration as fixed by the Board/Shareholders, if any, however, the Non-Executive Independent Directors do not receive any remuneration except sitting fees.

### ***Details of sitting fees paid to the Directors during the financial year 2016-17***

<b>Name of Director</b>	<b>Sitting Fees (₹)</b>
Mr. K.V.S. ShyamSunder	40,000
Mr. K. Raghuraman <sup>1</sup>	20,000
Mr. T. V. Rao <sup>2</sup>	30,000
Harsha Saxena	30,000
Mrs. Mangala Radhakrishna Prabhu	30,000

<sup>1</sup> Mr. K Raghuraman, Independent Director resigned from the Company w.e.f. 11<sup>th</sup> August, 2016

<sup>2</sup> Mr. T. V. Rao, appointed as additional Independent Director of the Company w.e.f. 11<sup>th</sup> August, 2016

### ***Details of Remuneration paid to the Managing Director during the financial year 2016-17***

<b>Sr. No.</b>	<b>Particulars of Remuneration</b>	<b>Amount in ₹</b>
<b>I.</b>	<b>Gross Salary</b>	9,600,000 p.a.
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	
	(b) Value of perquisites u/s. 17(2) Income-tax Act, 1961	
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	
<b>II.</b>	<i>Stock Option</i>	—
<b>III.</b>	<i>Sweat Equity</i>	—
<b>IV.</b>	<i>Commission</i>	—
	— As % of profit	
	— Others, specify..	
<b>V.</b>	Others, please specify	—
	<b>Total</b>	<b>96,00,000 p.a.</b>

### **Shareholding of the Non-Executive Directors (As on 31<sup>st</sup> March, 2017):**

<b>Name of the Non-Executive Directors</b>	<b>Number of Equity Shares of ₹ 10/- each</b>
Mr. K.V.S. ShyamSunder	Nil
Mr. T. V. Rao	Nil
Mr. K. Raghuraman	Nil
Mr. Harsha Saxena	Nil
Mrs. Mangala Radhakrishna Prabhu	Nil
Mr. Manoj Singrodia	1,21,400

## **CORPORATE GOVERNANCE REPORT**

There has been no materially relevant pecuniary transaction or relationship between the Company and its Non-Executive Directors during the year.

The Non-Executive Director of the Company do not hold any convertible instruments of the Company.

### **Remuneration of Non-Executive Directors**

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board / Committee meetings. A Non-Executive Director shall be entitled to receive sitting fees for each meeting of the Board or Committee of the Board attended by him not exceeding the sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Independent Directors of the Company shall not be entitled to participate in Stock Option Scheme of the Company, if any, introduced by the Company.

### **Familiarisation Programme**

Pursuant to provisions of SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 and upon recommendation by the Nomination & Remuneration Committee, the Board of Directors had adopted the procedure for Familiarisation Programme for Independent Directors. The details of the Familiarisation Programme for Independent Directors. The details of the Familiarisation Programme can be viewed on the Company's website viz. [www.ladderup.com](http://www.ladderup.com) in the "Investors" Section.

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

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

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

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

The Investment Committee consists of three Members and the Chairman is a Non-Executive Director. During the financial year 2016-17, four meetings were held on 26<sup>th</sup> May, 2016, 11<sup>th</sup> August, 2015, 8<sup>th</sup> November, 2016 and 10<sup>th</sup> February, 2017

<b>Name of the Members</b>	<b>Category</b>	<b>No. of Meetings attended</b>
Mr. Manoj Singrodia	Chairman (Non-Executive Director)	4
Mr. Sunil Goyal	Member (Managing Director)	4
Mr. Harsha Saxena	Member (Executive Director)	4

#### **e) Risk Management Committee**

As per the Companies Act, 2013 and as part of good corporate governance the Company has constituted the Risk Management Committee. The Committee is required to lay down the

## **CORPORATE GOVERNANCE REPORT**

procedures to inform to the Board about the risk assessment and minimisation procedures and the Board shall be responsible for framing, implementing and monitoring the risk management plan of the Company.

The Committee reviewed the risk trend, exposure and potential impact analysis carried out by the management. It was specifically confirmed to the Committee by the MD & CEO and the CFO that the mitigation plans are finalised and up to date, owners are identified and the progress of mitigation actions are monitored. The Risk Management Committee met once in the Financial Year.

The Risk Management Committee comprises of the following members:

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

The Risk Management Committee consists of three Members and the Chairman is a Non-Executive Director. During the Financial Year 2016-17, one meeting was held on 10<sup>th</sup> February, 2017.

<b>Name of the Members</b>	<b>Category</b>	<b>No. of Meeting attended</b>
Mr. Manoj Singrodia	Chairman (Non-Executive Director)	1
Mr. K.V.S. ShyamSunder	Member (Non-Executive Independent Director)	1
Mrs. Mangala Radhakrishna Prabhu	Member (Non-Executive Director)	1

#### **f) Prevention of Sexual Harassment Committee**

The Company has constituted Prevention of Sexual Harassment Committee as required under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review no complaint was filed before the said Committee.

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

Prevention of Sexual Harassment Committee consists of three Members and the Chairman is a Non-Executive Director. During the Financial Year 2016-17, one meeting was held on 10<sup>th</sup> February, 2017.

<b>Name of the Members</b>	<b>Category</b>	<b>No. of Meeting attended</b>
Mrs. Mangala Radhakrishna Prabhu	Chairman (Non-Executive Director)	1
Mr. K.V.S. ShyamSunder	Member (Non-Executive Independent Director)	1
Mr. Sunil Goyal	Member (Executive Director)	1

## **4. GENERAL BODY MEETINGS**

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

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

## **CORPORATE GOVERNANCE REPORT**

### **2015-16**

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

Date and Time: 28<sup>th</sup> September, 2016 at 10.30 a.m.

Special Resolutions passed:

- Approval of remuneration of Mr. Sunil Goyal, Managing Director of the Company
- Appointment of Mr. Thallapaka Venkateswara Rao as Non-Executive Independent Director.

### **2014-15**

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

Date and Time: 25<sup>th</sup> July, 2015 at 10:30 a.m.

Special Resolutions passed:

- Appointment of Mrs. Mangala Radhakrishna Prabhu as an Non-Executive Director
- Approval of remuneration of Mr. Sunil Goyal, Managing Director of the Company
- Approval of disinvestment/dilution in Ladderup Corporate Advisory Private Limited, Wholly Owned Subsidiary
- Approval of Related Party Transactions

### **2013-14**

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

Date and Time: 27<sup>th</sup> September, 2014 at 4.00 p.m.

Special Resolutions passed:

- Appointment of Mr. K. V. S. ShyamSunder as an Independent Director
- Appointment of Mr. K. Raghuraman as an Independent Director
- Appointment of Mr. Alasdair Nisbet as an Independent Director
- Adoption of New Articles of Associations of the Company containing Regulations in conformity with the Companies Act, 2013
- To approve the change of name of the Company

**No special resolution was passed through the postal ballot in the last three financial year**

## **5. MEANS OF COMMUNICATION**

The quarterly results as reviewed and recommended by the Audit Committee are taken on record by the Board of Directors and submitted to the Stock Exchange in terms of the requirements of Regulation 33 of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Audited/ Unaudited Results are published in Financial Express/Business Standard, English daily and in Mumbai Lakshadweep, Marathi daily being the regional language and also displayed on the website of the Company [www.ladderup.com](http://www.ladderup.com) shortly after its submission to the Stock Exchange.

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

## CORPORATE GOVERNANCE REPORT

### 6. GENERAL SHAREHOLDER INFORMATION

<b>6.1.</b>	<b>Annual General Meeting:</b>		
	Day, Date and Time	:	Saturday, 23 <sup>rd</sup> September, 2017 at 10.30 a.m.
	Venue	:	Hotel Mirage, International Airport Approach Road, Marol, Andheri (East), Mumbai – 400 059
<b>6.2.</b>	<b>Financial Year 2017-18 – Board Meeting Calendar (Tentative):</b>		
	Results for first quarter ended 30 <sup>th</sup> June, 2017	:	On or before 14 <sup>th</sup> August, 2017
	Results for second quarter ending 30 <sup>th</sup> September, 2017	:	On or before 14 <sup>th</sup> November, 2017
	Results for third quarter ending 31 <sup>st</sup> December, 2017	:	On or before 14 <sup>th</sup> February, 2018
	Results for financial year ending 31 <sup>st</sup> March, 2018	:	On or before 29 <sup>th</sup> May, 2018
<b>6.3.</b>	<b>Book Closure date</b>	:	
<b>6.4.</b>	<b>Listing of Equity Shares on Stock Exchange</b>	:	BSE Limited
<b>6.5.</b>	<b>Stock Code</b>	:	530577
<b>6.6.</b>	<b>Demat ISIN Number in NSDL and CDSL</b>	:	INE519D01015
<b>6.7.</b>	<b>Registrar and Share Transfer Agents</b>	:	M/s. Sharex Dynamic (India) Private Limited
<b>6.8</b>	<b>Share Transfer System:</b>	:	Share Transfers and Share Certificates are processed and returned within 30 days from the date of receipt subject to the documents being valid and complete in all respects. A summary of transfers/transmission of securities of the Company from the Registrar and Transfer Agent is placed before every Stakeholders Relationship Committee Meeting.
<b>6.9</b>	<b>Plant Location</b>	:	Since the Company is dealing in shares, stocks and other non-fund based activities, the information about Plant Location is not applicable.
<b>6.10</b>	<b>Outstanding GDRs/ADRs/Warrants or any Convertible Instruments</b>	:	The Company has not issued any ADR or GDR or warrants or any convertible instruments, which was likely to impact on equity share capital.

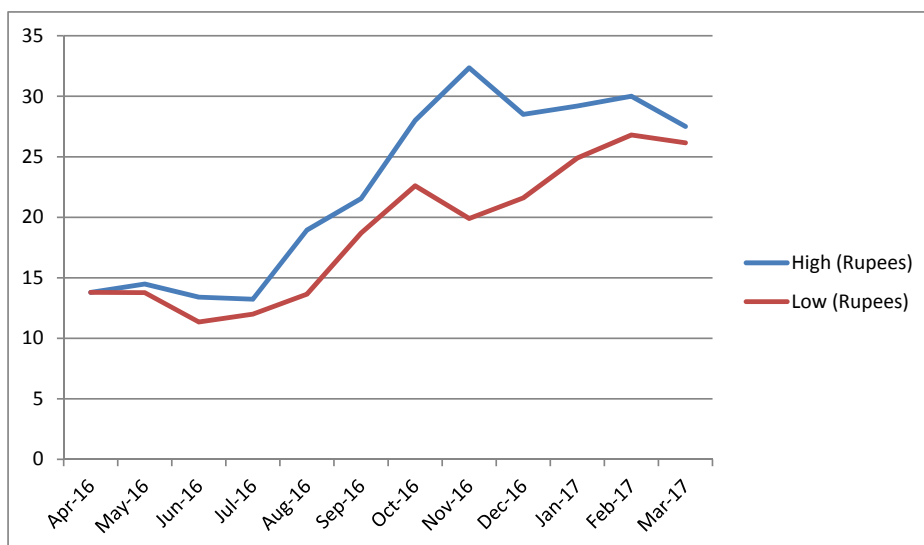
#### 6.11 The Market Price Data of the Company are as given below:

No.	Period	Bombay Stock Exchange	
		High (Rupees)	Low (Rupees)
1.	April-16	13.80	13.80
2.	May-16	14.49	13.77
3.	June-16	13.40	11.35
4.	July-16	13.23	12.00
5.	August-16	18.94	13.65
6.	September-16	21.55	18.70

## CORPORATE GOVERNANCE REPORT

7.	October-16	28.00	22.60
8.	November-16	32.35	19.90
9.	December-16	28.50	21.60
10.	January-17	29.20	24.90
11.	February-17	30.00	26.80
12.	March-17	27.50	26.15

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

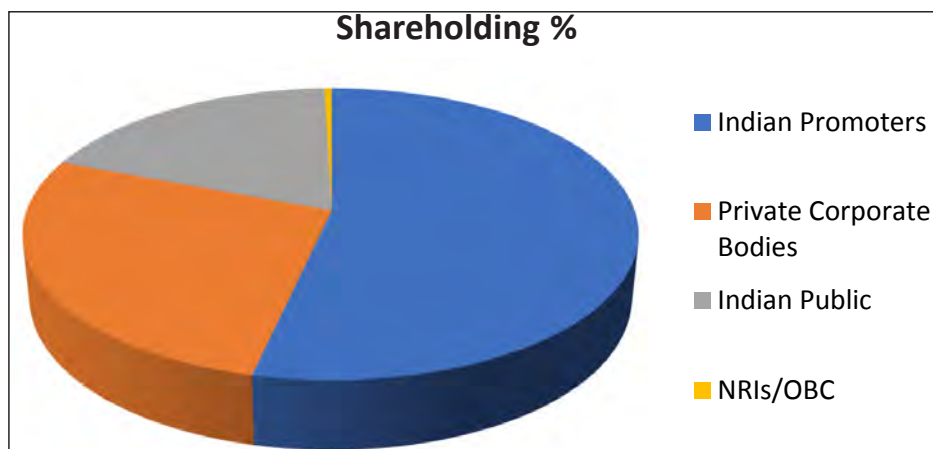


### 6.13 Distribution of Shareholding as on 31<sup>st</sup> March, 2017

Distribution of Shares (Slab-wise)	Shareholders		Share Amount (₹ in lakhs)	
	Nos.	% of Total Amt.	Amt.	% of Total Amt.
Up to 5,000	513	65.69	10.29	0.80
5,001-10,000	116	14.85	9.45	0.74
10,001- 100,000	106	13.57	31.95	2.5
1,00,000 & Above	46	5.89	12,33.55	95.98
<b>Total</b>	<b>786</b>	<b>100.00</b>	<b>1285.26</b>	<b>100.00</b>

#### Shareholding Pattern as on 31<sup>st</sup> March, 2017:

Category	No. of Shares	% of Shares
Indian Promoters	68,79,149	53.52
Private Corporate Bodies	35,06,924	27.28
Indian Public	24,09,427	18.74
NRIs/OBC	57,100	0.44
<b>Total</b>	<b>1,28,52,600</b>	<b>100.00</b>

Physical/NSDL/CDSL/Summary Report as on 31<sup>st</sup> March, 2017

Particulars	Number of Shares	% of Total Issued Capital
Held in Dematerialised form in CDSL	98,01,521	76.26%
Held in Dematerialised form in NSDL	16,00,479	12.45%
Physical	14,50,600	11.29%
<b>Total No. of Shares</b>	<b>128,52,600</b>	<b>100.00%</b>

**6.14 Address for Correspondence:**

(i) Investors Correspondence	:	<b>For Shares held in Physical Form</b>
		M/s. Sharex Dynamic (India) Private Limited. Unit 1, Luthra Industrial Premises, 1 <sup>st</sup> Floor, 44 – E. M Vasanti Marg, Andheri Kurla Road, Safed Pool, Andheri (East), Mumbai – 400 072
		<b>For Shares held in Demat Form</b>
		To the respective Depository Participants.
(ii) Any query on Annual Report	:	*Ms. Zarana Soni (Company Secretary and Compliance Officer) Ladderup Finance Limited <i>*Appointed w.e.f. 12<sup>th</sup> August, 2017</i> A-102, Hallmark Business Plaza, Opposite Gurunanak Hospital Road, Bandra (East), Mumbai-400 051
(iii) E-mail ID for Investor Grievance	:	investor@ladderup.com
(iv) Corporate Website	:	www.ladderup.com

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

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. As provided under section 134(3)(h) of the Act and Rules made thereunder disclosure of particulars of material

## **CORPORATE GOVERNANCE REPORT**

transactions with related parties entered into by the Company with related parties in the prescribed format form part of Directors report.

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

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

### **Directors' disqualification under Section 164 and any other provisions of Companies Act, 2013**

None of the Directors are disqualified under Section 164 of the Companies Act, 2013.

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

As stipulated by Securities and Exchange Board of India (SEBI), a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. This audit is carried out every quarter and the report thereon is submitted to Stock Exchanges and is also placed before the Board of Directors. No discrepancies were noticed during these audits.

### **Adoption of Insider Trading Policy**

The Company has implemented a policy prohibiting Insider Trading in conformity with applicable regulations of the Securities Exchange Board of India ("SEBI"), which has been laid down for employees, connected persons and persons deemed to be connected, while trading in the securities of the Company. The policy lays down procedures to be followed and disclosures to be made while dealing with shares of the Company and cautioning them of the consequences of violations. The Code of Conduct for Insider Trading is adopted by the Board and uploaded on the website of the Company.

### **Code of Conduct for Board Members and Senior Management**

The Board has laid down the code of conduct for all the Board members and members of the Management of the Company. Additionally all independent directors of the company shall be bound by duties of independent directors as set out in the Companies Act, 2013 read with the Schedules and Rules thereunder.

All the Board members and Management personnel have affirmed compliance with the code of conduct. The Code of Conduct is available on the website of the company.

#### **DECLARATION BY THE MANAGING DIRECTOR**

I, Sunil Goyal, Managing Director of Ladderup Finance Limited, hereby declare that all the members of the Board of Directors and the Management Personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Regulation 26(3) of the Listing Regulations for the year ended 31<sup>st</sup> March, 2017.

For Ladderup Finance Limited

Sd/-

**Sunil Goyal**

Managing Director

**DIN: 00503570**

Mumbai, 12<sup>th</sup> August, 2017

## **CORPORATE GOVERNANCE REPORT**

### **Details of compliance with mandatory requirements and adoption of the non-mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

#### **Mandatory Requirements**

The Company has complied with all the mandatory requirements of the Listing Regulations relating to Corporate Governance.

#### **Non-Mandatory Requirements**

The Company has complied with the following non-mandatory requirements of the Listing Regulations relating to Corporate Governance. The status of compliance with the non-mandatory requirements listed in Regulation 27(1) read with Part E of Schedule II of the Listing Regulations are as under:

- Chairman of the Board-The Non-Executive Chairman maintains a separate office, for which the Company does not reimburse expenses.
- During the year under review, there is no audit qualification in the Company's financial statements. The Company continues to adopt best practices to ensure regime of unmodified audit opinion.
- The position of the Chairman and the Managing Director is separate.
- The Internal Auditor reports to the Audit Committee.

#### **8. MD/ CFO Certification**

The MD and Chief Financial Officer (CFO) have issued certificate pursuant to the provisions of Regulation 17(8) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations 2015 certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is annexed and forms part of the Annual Report.

Date : 12<sup>th</sup> August, 2017  
Place : Mumbai

**By Order of the Board**

Regd. Office : A-102, Hallmark Business Plaza,  
Opposite Guru Nanak Hospital,  
Bandra (East), Mumbai- 400051

**Sd/-**  
**Sunil Goyal**  
*Managing Director*  
**DIN: 00503570**

## CORPORATE GOVERNANCE CERTIFICATE

The Members

### **Ladderup Finance Limited**

1. We, Khurdia Jain & Co., Chartered Accountants, the Statutory Auditors of Ladderup Finance Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31<sup>st</sup> March, 2017, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

### **Management's Responsibility**

2. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design/ implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations and as required by the provisions of the Companies Act, 2013 and rules framed thereunder.

### **Auditor's Responsibility**

3. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for enduring compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
4. We have examined the books of accounts and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
5. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of the Chartered Accountants of India (the ICAI), the Standards on Auditing specified under Section 143(10) of the Companies Act 2013, in so far as applicable for the purpose of this certificate and as per the Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
6. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

### **Opinion**

7. Based on our examination of the relevant records and according to the information and explanations provided to us and the representations provided by the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and para C and D of Schedule V of the Listing Regulations during the year ended 31<sup>st</sup> March, 2017.
8. We state that compliance is an assurance as to the future viability of the Company and the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

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

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

**Date:** 12<sup>th</sup> August, 2017  
**Place:** Mumbai

## MD/CEO/CFO CERTIFICATION

**The Board of Directors,  
LADDERUP FINANCE LIMITED**  
102- A, Hallmark Business Plaza,  
Gurunanak Hospital Road,  
Bandra (East), Mumbai-400051

We hereby certify that for the quarter ended 31<sup>st</sup> March, 2017 on the basis of the review of the financial statements and to the best of our knowledge and belief that:

1. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the Auditors and the Audit Committee, deficiencies in the designs or operations of internal controls, if any of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We further certify that:
  - a. There have been no significant changes in internal control during the year ended, 31<sup>st</sup> March, 2017.
  - b. There have been no significant changes in accounting policies during the year ended 31<sup>st</sup> March, 2017.
  - c. There have been no instances of significant fraud of which we are become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system.

**FOR LADDERUP FINANCE LIMITED**

Date: 12<sup>th</sup> August, 2017  
Place: Mumbai

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

**Suresh Kumar**  
Chief Financial Officer

## INDEPENDENT AUDITOR'S REPORT

To

**The Members of Ladderup Finance Limited,**

### **Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of **Ladderup Finance Limited**, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the standalone financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31<sup>st</sup> March, 2017, and its profit and its cash flows for the year ended on that date.

## INDEPENDENT AUDITOR'S REPORT

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure "A"** statement on the matters specified in the paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer our separate report in **Annexure "B"**;
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 23 (A) (i) to the financial statements.
    - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
    - (iv) The Company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 23 G to the financial statements.

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

**Sampat Khurdia**  
Partner  
**Mem No: 33615**

Place : Mumbai  
Date : 29<sup>th</sup> May 2017

## ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

The **Annexure “A”** referred to in Paragraph 1 under the heading “Report on Other Legal and Regulatory Requirements “in our Independent Auditor’s Report to the members of **Ladderup Finance Limited** for the year ended 31<sup>st</sup> March, 2017.

As required by the Companies (Auditors Report) Order, 2016 and amendments thereto and according to the information and explanations given to us during the course of the audit and on the basis of such checks of the books and records as were considered appropriate we report that:

- (i) a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) The Fixed Assets have been physically verified by the management during the year at reasonable intervals. In our opinion the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies have been noticed on such physical verification.
- c) According to the information and explanations given to us and on the basis of our examination of records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) a) Since the Company does not have any inventory, the paragraph 3 (ii) of the said Order is not applicable to the Company.
- (iii) The company has granted unsecured loans to companies covered in the register maintained under section 189 of the Companies Act, 2013.
  - a) In our opinion, the rate of interest and the other terms and conditions of the grant of such loans were not, prima facie, prejudicial to the company’s interest;
  - b) The borrowers have been regular in the payment of the interest as stipulated. The terms of arrangements do not stipulate any repayment schedule and the loans are repayable on demand. Accordingly, paragraph 3(iii)(b) of the Order is not applicable to the Company in respect of repayment of the principal amount;
  - c) There are no overdue amounts in respect of such loans.
- (iv) In our opinion and according to the information and explanation given to us, section 185 and 186 of the Act are not applicable, since the Company is a Non-Banking Finance Company (NBFC) registered with Reserve Bank of India.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under Section 148 (1) of the Act, for the Company.
- (vii) a) Accordingly to the records of the Company, the undisputed statutory dues including Provident Fund, Employees’ State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax, Cess and other statutory dues, to the extent applicable, have been regularly deposited with the appropriate authorities. There are no undisputed amount payable in respect of such statutory dues which have remained outstanding as at 31<sup>st</sup> March, 2017 for a period more than six months from the date they became payable.
- b) According to the records of the Company, Income Tax, Sales Tax, Service Tax, Duty of Custom, Duty of Excise, Value Added Tax which have not been deposited on account of any dispute with the relevant authorities are given below:

Name of Statute	Amount (₹)	Period to which amount relates	Forum where dispute is pending
Income Tax	5,10,740	2012-13	CIT (Appeals)
Income Tax	6,06,086	2013-14	CIT (Appeals)

## ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

- (viii) The Company has not defaulted in repayment of its dues to NBFC. The Company has not taken any loans from financial institutions and has not issued debenture.
- (ix) The company has applied the term loan for the purposes it was raised and the company did not raise money by way of initial public offer or further public offer (including debt instruments).
- (x) According to the information & explanations given to us, no fraud by the company or on the company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandate by the provision of section 197 read with schedule V of the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3 (xii) of the Order is not applicable.
- (xiii) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has complied with section 177 and has not entered into any transactions covered under Section 188 of the Act.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into any non-cash transactions with the directors or persons connected with him. Accordingly, paragraph 3 (xv) of the Order is not applicable.
- (xvi) In our opinion and according to the information and explanation given to us, the Company is registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For Khurdia Jain & Co.**

Chartered Accountants

Firm Regn. No.: 120263W

**Sampat Khurdia**

Partner

**Mem No: 33615**

Place : Mumbai

Date : 29<sup>th</sup> May 2017

## ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

**Annexure “B” to the Independent Auditor’s Report of even date on the Standalone financial statements of Ladderup Finance Limited for the year ended 31<sup>st</sup> March 2017.**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of Ladderup Finance Limited (“the Company”) as of March 31, 2017 in conjunction with our audit of the Standalone financial statements of the Company for the year ended on that date.

### **Management’s Responsibility for Internal Financial Controls**

The Company’s management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors’ Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that We comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally

## ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For Khurdia Jain & Co.**

Chartered Accountants

**Firm Regn. No.: 120263W**

**Sampat Khurdia**

Partner

**Mem No: 33615**

Place : Mumbai

Date : 29<sup>th</sup> May 2017

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

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

1. The Company has applied for the registration as provided in the Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) and has received Certificate of Registration No. 13.00063 dated 24<sup>th</sup> February, 1998 from Reserve Bank of India, Department of Non-Banking Supervision, Mumbai Regional Office.
2. The Board of Directors in their meeting held on 29<sup>th</sup> May, 2017 has passed a resolution for Non-acceptance of any public deposit without prior approval of Reserve Bank of India in writing.
3. As per the information and explanation given to us and as appears from the books of account of the Company, Company has not accepted any deposit from the public during the year ended on 31<sup>st</sup> March, 2017.
4. In our opinion and as per the information and explanation given to us the Company has complied with prudential norms relating to income recognition, accounting standard, asset classification, and provisioning of bad and doubtful debt as applicable to it for the year ended on 31<sup>st</sup> March, 2017.

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

**Sampat Khurdia**  
Partner  
**Mem No: 33615**

Place : Mumbai  
Date : 29<sup>th</sup> May 2017

# BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2017

(Amount in ₹)

Particulars	Note Nos.	As at 31.03.2017	As at 31.03.2016
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	128,526,000	128,526,000
Reserves and Surplus	3	376,421,728	250,258,770
		<b>504,947,728</b>	<b>378,784,770</b>
<b>Non-Current Liabilities</b>			
Long-term Borrowings	4	43,358,335	-
Long-term Provisions	5	310,353	61,860
		<b>43,668,688</b>	<b>61,860</b>
<b>Current Liabilities</b>			
Short-term Borrowings	6	45,461,027	32,607,342
Trade Payables	7	138,192	171,222
Other Current Liabilities	8	6,722,627	1,199,176
Short-term Provisions	9	8,887,284	4,441,751
		<b>61,209,130</b>	<b>38,419,491</b>
<b>Total</b>		<b>609,825,546</b>	<b>417,266,121</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
Fixed Assets	10		
- Tangible Assets		2,099,791	2,239,372
		<b>2,099,791</b>	<b>2,239,372</b>
Non-current Investments	11	336,555,944	270,235,646
Deferred Tax Assets (Net)	12	185,009	146,614
Long-term Loans and Advances	13	39,377,246	12,247,928
		<b>378,217,991</b>	<b>284,869,560</b>
<b>Current Assets</b>			
Current Investments	14	6,350,708	-
Trade Receivables	15	1,793,076	6,052
Cash and bank balance	16	1,414,321	1,108,938
Short-term Loans and Advances	17	222,049,450	131,281,571
		<b>231,607,555</b>	<b>132,396,561</b>
<b>Total</b>		<b>609,825,546</b>	<b>417,266,121</b>
Significant Accounting Policies	1		
Accompanying Notes to Accounts	23		

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

**For Khurdia Jain & Co.**

*Chartered Accountants*

**Sampat Khurdia**

*Partner*

**Mem. No. 33615**

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

**Sunil Goyal**

*Managing Director*

**DIN:00503570**

**Mangala R. Prabhu**

*Director*

**DIN : 06450659**

**Sanket Limbachiya**

*Company Secretary*

**Mem. No. A38424**

**Suresh Kumawat**

*Chief Financial Officer*

Place : Mumbai  
Date : 29<sup>th</sup> May, 2017

Place : Mumbai  
Date : 29<sup>th</sup> May, 2017

# STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

(Amount in ₹)

Particulars	Note Nos.	Year Ended 31.03.2017	Year Ended 31.03.2016
<b>REVENUE</b>			
Revenue from Operations	18	153,447,276	36,969,959
<b>Total</b>		<b>153,447,276</b>	<b>36,969,959</b>
<b>EXPENSES</b>			
Employee Benefit Expenses	19	11,610,822	3,561,292
Finance Costs	20	9,071,599	4,622,359
Depreciation and Amortization Expense	10	117,636	116,184
Other Expenses	21	5,542,281	2,781,596
<b>Total</b>		<b>26,342,338</b>	<b>11,081,431</b>
<b>Profit Before Tax</b>		<b>127,104,938</b>	<b>25,888,528</b>
<b>Less : Tax Expenses</b>			
Current Tax		28,093,000	5,345,978
Minimum Alternative Tax Credit Entitlement		(27,104,813)	(4,839,495)
Minimum Alternative Tax of earlier year		1,995	(30,613)
Deferred Tax	12	(38,395)	(95,500)
Taxation of Earlier Years		(31,752)	42,350
<b>Profit for the Year</b>		<b>126,184,903</b>	<b>25,465,808</b>
Earnings Per Equity Share: (Nominal value of ₹ 10 each)	22		
- Basic		9.82	1.98
- Diluted		9.82	1.98
Significant Accounting Policies	1		
Accompanying Notes to Accounts	23		

## In terms of our Report of even date

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

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

## For and on behalf of the Board of Directors

**Sunil Goyal**  
Managing Director  
DIN:00503570

**Mangala R. Prabhu**  
Director  
DIN : 06450659

**Sanket Limbachiya**  
Company Secretary  
Mem. No. A38424

**Suresh Kumawat**  
Chief Financial Officer

Place : Mumbai  
Date : 29<sup>th</sup> May, 2017

Place : Mumbai  
Date : 29<sup>th</sup> May, 2017

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

(Amount in ₹)

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
<b>A. Cash Flow from Operating Activities</b>		
<b>Profit before Tax</b>	<b>127,104,938</b>	<b>25,888,528</b>
Adjustments for:		
Depreciation on Fixed assets	117,636	116,184
Contingent Provision against Standard Assets	496,139	—
Loss on Sale of Fixed Assets	—	383,327
Interest Expense	8,656,609	4,620,818
<b>Operating Profit Before Working Capital Changes</b>	<b>136,375,321</b>	<b>31,008,857</b>
Adjustments for :		
(Increase) / Decrease in Short Term Loans and Advances	(90,767,879)	(15,699,974)
(Increase) / Decrease in Long Term Loans and Advances	(100,000)	(576,987)
Increase / (Decrease) in Trade Payable	(33,030)	128,800
Increase / (Decrease) in Other Current Liabilities	5,523,451	303,385
Increase / (Decrease) in Short Term Provisions	4,695	9,867
Increase / (Decrease) in Long Term Provisions	248,493	54,820
(Increase) / Decrease in Non- Current Investments	(66,320,298)	(8,311,192)
(Increase) / Decrease in Trade Receivables	(1,787,024)	—
<b>Cash Generated from Operations</b>	<b>(16,856,272)</b>	<b>6,917,576</b>
Income Tax Paid	(24,116,549)	(3,968,575)
<b>Net cash flow from/ (used in) operating activities</b>	<b>(A) (40,972,821)</b>	<b>2,949,001</b>
<b>B. Cash Flow from Investing Activities</b>		
Sales of Fixed Assets	—	450,000
Share Application Money	73,500	(73,500)
Purchase of Fixed Assets	—	(925,652)
Purchase of Investments	(6,350,708)	—
Shares received against Share Application Money	—	—
<b>Net Cash Flow Used in Investing Activities</b>	<b>(B) (6,277,208)</b>	<b>(549,152)</b>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds / (Repayment) of Long Term Borrowings	43,358,336	—
Proceeds / (Repayment) of Short Term Borrowings	12,853,685	(22,438)
Interest Expense	(8,656,609)	(4,620,818)
Dividend and Taxes Paid thereon	—	—
<b>Net Cash Flow from Financing Activities</b>	<b>(C) 47,555,412</b>	<b>(4,643,256)</b>
<b>Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>305,382</b>	<b>(2,243,408)</b>
<b>Add : Opening Cash and Cash Equivalents</b>	<b>652,168</b>	<b>2,895,576</b>
<b>Closing Cash and Cash Equivalents</b>	<b>957,551</b>	<b>652,168</b>

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

### Notes:

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

(Amount in ₹)

Particulars	As at 31.03.2017	As at 31.03.2016
Cash in Hand	38,041	34,078
Bank Balances		
— In Current Accounts	919,510	618,090
	<b>957,551</b>	<b>652,168</b>

- The previous year's figures have been regrouped / rearranged wherever necessary in order to conform to current year's presentation.

### In terms of our Report of even date

#### For Khurdia Jain & Co.

*Chartered Accountants*

#### Sampat Khurdia

*Partner*

**Mem. No. 33615**

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

#### Sunil Goyal

*Managing Director*

**DIN:00503570**

#### Mangala R. Prabhu

*Director*

**DIN : 06450659**

#### Sanket Limbachiya

*Company Secretary*

**Mem. No. A38424**

#### Suresh Kumawat

*Chief Financial Officer*

Place : Mumbai

Date : 29<sup>th</sup> May, 2017

Place : Mumbai

**Note 1 : Significant Accounting Policies:**

**A Basis of Preparation of Financial Statements:**

The Financial Statements have been prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis and in compliance with all the mandatory accounting standards as prescribed under section 133 of the Companies Act 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014

The Company follows mercantile system of accounting and recognises Income & Expenditure on accrual basis to the extent measurable and where there is certainty of ultimate realisation in respect of incomes.

**B Use of Estimates:**

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

**C Revenue Recognition:**

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

**D Fixed Assets:**

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

**E Depreciation:**

- i) Depreciation on Fixed Assets is provided on 'Straight Line Method' considering their useful lives and residual value as provided in Schedule II of Companies Act, 2013.
- ii) Depreciation on revalued assets to the extent of revaluation is charged from Revaluation Reserve.

**F Impairment of Fixed Assets:**

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

**G Investments:**

Investments that are intended to be held for more than a year, from the date of acquisition, are classified as long term investment and are carried at cost less any provision for permanent

diminution in value. Investments other than long term investments being current investments are valued at cost or fair value whichever is lower.

**H Accounting for Taxes of Income:**

**Current Taxes**

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

**Deferred Taxes**

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

**Minimum Alternative Tax**

Minimum Alternative Tax (MAT) credit is recognised as an assets in accordance with the recommendation contained in the Guidance note issued by the Institute of Chartered Accountants of India. The said assets is created by way of credit to the Statement of Profit and Loss and shown as MAT credit entitlement. The Company review the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

**I Provisions and Contingent Liabilities:**

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

**J Prior Period Items:**

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

**K Employee Benefits:**

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

**L Earnings Per Share:**

"The Company reports basic and diluted Earnings Per Share (EPS) in accordance with the Accounting Standard 20 on Earnings Per Share. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year. Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

## Notes 2 : Share Capital

### a. Details of Authorised, Issued, Subscribed and Paid up Capital

(Amount in ₹)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Authorised Capital</b> 15,000,000 (P.Y. 15,000,000) Equity Shares of ₹ 10/- each	150,000,000	150,000,000
<b>Issued, Subscribed and Paid up Capital</b> 12,852,600 (P.Y. 12,852,600) Equity Shares of ₹ 10/- each, fully paid-up	128,526,000	128,526,000
	<b>128,526,000</b>	<b>128,526,000</b>

### b. Terms & Conditions

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

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

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

(Amount in ₹)

Name of Shareholder	As at 31.03.2017		As at 31.03.2016	
	No of Equity shares held	Percentage	No of Equity shares held	Percentage
Quiet Enterprises LLP	3,840,199	29.88%	3,840,199	29.88%
Sonu Portfolio Services Private Limited	1,640,850	12.77%	1,640,850	12.77%
Indianivesh Capitals Limited	840,000	6.54%	840,000	6.54%
Nabhshika Financial Advisory Private Limited	689,702	5.37%	689,702	5.37%
Deepak Ghanshyam Ladha (Held on behalf on Shikha Financial Services)	601,834	4.68%	642,880	5.00%

### d. Reconciliation of Number of Shares

(Amount in ₹)

Particulars	As at 31.03.2017		As at 31.03.2016	
	Equity Shares		Equity Shares	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	12,852,600	128,526,000	12,852,600	128,526,000
Shares issued during the year	—	—	—	—
Shares bought back during the year	—	—	—	—
Shares outstanding at the end of the year	12,852,600	128,526,000	12,852,600	128,526,000

# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

## Note 3 : Reserves and Surplus

(Amount in ₹)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>a. Capital Reserve</b>		
Opening Balance	300,000	300,000
Closing Balance	300,000	300,000
<b>b. Securities Premium Account</b>		
Opening Balance	138,500,000	138,500,000
Closing Balance	138,500,000	138,500,000
<b>c. Revaluation Reserve</b>		
Opening balance	907,009	928,954
Less : Written back in current year	21,945	21,945
Closing Balance	885,064	907,009
<b>d. Special Reserve under Section 45 IC of RBI Act</b>		
Opening Balance	28,563,890	23,470,728
Add : Transfer during the year	25,236,981	5,093,162
Closing Balance	53,800,871	28,563,890
<b>e. General Reserve</b>		
Opening Balance	250,000	250,000
Closing Balance	250,000	250,000
<b>f. Surplus in the Statement of Profit and Loss</b>		
Opening Balance	81,737,871	61,365,225
Add : Net Profit for the year	126,184,903	25,465,808
Less : Transfer to Special Reserve under Section 45 IC RBI Act	25,236,981	5,093,162
Closing Balance	182,685,793	81,737,871
<b>Total</b>	<b>376,421,728</b>	<b>250,258,770</b>

# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

## Note 4 : Long-term Borrowings

(Amount in ₹)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Secured</b>		
Term Loan	47,300,000	—
Less: Current maturities of Long Term Debt	3,941,665	—
<b>Total</b>	<b>43,358,335</b>	<b>—</b>

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

#### Secured Corporate Term Loan (LAP) from STCI

- a. Term Loan from STCI Finance Limited amounting to ₹ 39,000,000/- (P.Y. ₹ Nil ) is secured by exclusive charge by way of registered mortgage of three plots of land in the name of Ladderup Enterprises Private Limited, a company owned/controlled by key management and/or their relatives. It carries interest rate of 13.50% per annum. The Loan is repayable in 48 equal monthly installments of ₹ 812,500/- each commencing from the end of 13th month of the date of first disbursement.
- b. Term Loan from STCI Finance Limited amounting to ₹ 8,300,000/- (P.Y. ₹ Nil ) is secured by exclusive charge by way of registered mortgage of premises of the company. It carries interest rate of 13.50% per annum. The loan is repayable in 36 equal monthly installments of ₹ 230,556/- each commencing from the end of 13th month of the date of first disbursement.

## Note 5 : Long-term Provisions

(Amount in ₹)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Provision for Employee Benefits:</b>		
Gratuity	310,353	61,860
<b>Total</b>	<b>310,353</b>	<b>61,860</b>

## Note 6 : Short-term Borrowings

(Amount in ₹)

Particulars	As at 31.03.2017	As at 31.03.2016
Inter- Corporate Deposit		
Secured	45,461,027	29,000,000
Unsecured	—	3,607,342
<b>Total</b>	<b>45,461,027</b>	<b>32,607,342</b>

### Secured Loan from Others includes :

- i) Secured Loan taken from Indianivesh Capital Limited amounting to ₹ 45,461,027/- ( P.Y. ₹ 29,000,000/-) carrying interest rate of 13% p.a. The loan is repayable in March, 2018. The loan is secured against pledge of some of the shares held by the Company as non- current investment.

**Note 7 : Trade Payables**

(Amount in ₹)

Particulars	As at 31.03.2017	As at 31.03.2016
Trade Payables*		
Due to Micro, Small and Medium Enterprises	—	—
Other than Micro, Small and Medium Enterprises	138,192	171,222
<b>Total</b>	<b>138,192</b>	<b>171,222</b>

\* As on 31.03.2017, there are no amounts due to the suppliers covered under Micro, Small and Medium Enterprises Development Act, 2006.

**Note 8 : Other Current Liabilities**

(Amount in ₹)

Particulars	As at 31.03.2017	As at 31.03.2016
Current Maturities of Long- term Debt	3,941,665	-
Interest accrued but not due	1,272,001	319,187
Duties & Taxes Payable	853,231	275,103
Unclaimed Dividend	456,770	456,770
Employee Benefit Payable	198,960	148,116
<b>Total</b>	<b>6,722,627</b>	<b>1,199,176</b>

**Note 9 : Short-term Provisions**

(Amount in ₹)

Particulars	As at 31.03.2017	As at 31.03.2016
Provision for Employee Benefits:		
Bonus	23,126	20,364
Gratuity	2,288	355
<b>Others</b>		
Contingent Provision against Standard Assets	496,139	—
Income Tax Provisions (Net of Advance tax & TDS)	8,365,731	4,421,032
<b>Total</b>	<b>8,887,284</b>	<b>4,441,751</b>

# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

## Note 10 : Fixed Assets

(Amount in ₹)

	Gross Block				Accumulated Depreciation					Net Block	
Particulars	As at 01.04.2016	Additions during the year	Deletions during the year	As at 31.03.2017	Up to 31.03.2016	Depreciation charged for the year	Adjustment due to revaluations	Adjustments on disposals	Up to 31.03.2017	As at 31.03.2017	As at 31.03.2016
Tangible assets											
Premises	2,078,750	-	-	2,078,750	738,234	10,489	21,945	-	770,668	1,308,082	1,340,516
Furniture & Fixtures	116,826	-	-	116,826	11,007	11,099	-	-	22,106	94,721	105,819
Vehicles	808,826	-	-	808,826	15,789	96,048	-	-	111,837	696,989	793,037
Total	3,004,402	-	-	3,004,402	765,030	117,636	21,945	-	904,611	2,099,791	2,239,372
Previous Year	3,820,188	925,652	1,741,438	3,004,402	1,535,013	116,184	21,945	(908,112)	765,030	2,239,372	2,285,175

# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

## Note 11 : Non-current Investments

(Valued at cost, unless stated otherwise)

(Amount in ₹)

Name of the Body Corporate	No. of Shares / Units		Partly Paid / Fully paid	Amount	
	As at 31.03.2017	As at 31.03.2016		As at 31.03.2017	As at 31.03.2016
<b>I. Trade Investments</b>					
<b>Investment in Subsidiaries</b>					
<b>Equity Instruments-Unquoted</b>					
Ladderup Wealth Management Private Limited	134,000	134,000	Fully Paid	5,360,000	5,360,000
	<b>134,000</b>	<b>134,000</b>	<b>(A)</b>	<b>5,360,000</b>	<b>5,360,000</b>
<b>Investment in Associate</b>					
<b>Equity Instruments-Unquoted</b>					
Annapurna Pet Private Limited	1,488,210	304,210	Fully Paid	60,021,000	30,421,000
	<b>1,488,210</b>	<b>304,210</b>	<b>(B)</b>	<b>60,021,000</b>	<b>30,421,000</b>
<b>Investments in Preference Shares</b>					
Annapurna Pet Private Limited	83,110	69,310	Fully Paid	8,311,000	6,931,000
	<b>83,110</b>	<b>69,310</b>	<b>(C)</b>	<b>8,311,000</b>	<b>6,931,000</b>
<b>II. Non Trade Investments</b>					
<b>Investment in Equity Instruments-Quoted, Others</b>					
Ahluwalia Contracts (India) Limited	50,000	75,000	Fully Paid	3,340,982	4,386,479
Asian Paint Limited	-	4,000	Fully Paid	-	2,410,035
BASF India Limited	-	5,000	Fully Paid	-	4,877,184
Bharat Wire Ropes Limited	-	9,441	Fully Paid	-	424,845
Camlin Fine Sciences Limited	-	10,000	Fully Paid	-	360,791
Capman Financials Limited	50,000	50,000	Fully Paid	500,000	500,000
Dhanuka Agritech Limited	8,000	8,000	Fully Paid	1,045,632	1,045,632
Federal Bank Limited	25,000	-	Fully Paid	2,161,796	-
Future Consumer Enterprises Limited	300,000	100,000	Fully Paid	6,838,704	1,314,924
GVK Power & Infrastructure Limited	-	255,000	Fully Paid	-	2,226,698
Hester Biosciences Limited	70,000	100,000	Fully Paid	8,023,205	11,492,770
Indianivesh Limited	1,750,000	1,750,000	Fully Paid	73,250,000	73,250,000
Ipca Laboratories Limited	12,000	5,000	Fully Paid	6,457,460	3,446,916
IRB Infrastructure Developers Limited	16,000	-	Fully Paid	3,680,535	-
Jaypee Infratech Limited	200,000	-	Fully Paid	1,913,219	-
Jet Airways (India) Limited	3,000	-	Fully Paid	1,405,989	-
JB Chemicals & Pharmaceuticals Limited	-	13,849	Fully Paid	-	3,630,348
Kisan Mouldings Limited	1,000,000	-	Fully Paid	40,000,000	-
LIC Housing Finance Limited	25,000	25,000	Fully Paid	6,141,055	5,566,674
Larsen & Toubro Limited	5,000	5,000	Fully Paid	6,915,494	6,915,494
Lupin Limited	2,500	2,500	Fully Paid	4,259,855	1,034,801

**ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31<sup>ST</sup> MARCH, 2017**

(Amount in ₹)

Name of the Body Corporate	No. of Shares / Units		Partly Paid / Fully paid	Amount	
	As at 31.03.2017	As at 31.03.2016		As at 31.03.2017	As at 31.03.2016
Mahindra & Mahindra Limited	10,000	2,000	Fully Paid	12,507,264	885,252
Marksans Pharma Limited	45,000	25,000	Fully Paid	2,022,270	921,879
Motilal Oswal Financial Services Limited	5,000	-	Fully Paid	1,830,447	-
Nestle India Limited	-	500	Fully Paid	-	2,479,838
Onmobile Global Limited	-	20,000	Fully Paid	-	1,627,354
Oriental Bank of Commerce	5,000	-	Fully Paid	724,363	-
Pidilite Industries Limited	5,000	5,000	Fully Paid	1,775,484	1,775,484
SML Isuzu Limited	-	2,500	Fully Paid	-	2,723,349
South India Paper Limited	36,727	23,000	Fully Paid	3,666,995	2,034,977
Sun Pharma Advanced Research Company Limited	-	7,000	Fully Paid	-	1,427,027
Trigyn Technologies Limited	7,391	-	Fully Paid	959,335	-
Universal Cable Limited	-	10,000	Fully Paid	-	876,911
	<b>3,630,618</b>	<b>2,512,790</b>	<b>(D)</b>	<b>189,420,084</b>	<b>137,635,662</b>
<b>Investment in Equity Instruments- Unquoted, Others</b>					
Invent Bio-Media Private Limited	-	100,000	Fully Paid	-	4,000,000
Algorhythm Tech Private Limited	17	15	Fully Paid	6,375	5,625
JRI Technologies Private Limited	58,060	58,060	Fully Paid	7,000,000	7,000,000
Esskay Auto Finance Limited	2,707	2,707	Fully Paid	7,124,824	7,124,824
Jumboking Foods Private Limited	98,901	98,901	Fully Paid	8,855,155	8,855,155
Parag Milk & Milk Products Private Limited	-	600,000	Fully Paid	-	12,500,000
Lotus Spaces Private Limited	90,000	90,000	Fully Paid	1,800,000	1,800,000
Ladderup Corporate Advisory Private Limited	43,500	43,500	Fully Paid	4,350,000	4,350,000
Tops Security Limited	40,900	40,900	Fully Paid	2,863,000	2,863,000
Gini & Jony Limited	1,266,636	1,266,636	Fully Paid	40,894,760	40,894,760
	<b>1,600,721</b>	<b>2,300,719</b>	<b>(E)</b>	<b>72,894,114</b>	<b>89,393,364</b>
<b>Total Investment in Equity Instruments</b>	<b>6,853,549</b>	<b>5,251,719</b>	<b>(A) + (B) + (D) + (E)</b>	<b>327,695,198</b>	<b>262,810,026</b>
<b>Investments in Preference Shares</b>					
Algorhythm Tech Private Limited	1,466	1,319	Fully Paid	549,750	494,625
	<b>1,466</b>	<b>1,319</b>	<b>(F)</b>	<b>549,750</b>	<b>494,625</b>
<b>Total Investment in Preference Shares</b>	<b>84,576</b>	<b>70,629</b>	<b>(C)+(F)</b>	<b>8,860,750</b>	<b>7,425,625</b>
<b>Grand Total</b>	<b>6,938,125</b>	<b>5,322,348</b>		<b>336,555,944</b>	<b>270,235,646</b>

**ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31<sup>ST</sup> MARCH, 2017**

(Amount in ₹)

Particulars	As at 31.03.2017	As at 31.03.2016
Aggregate Market Value of Quoted Investments	308,835,310	219,771,428
Aggregate Book Value of Quoted Investments	189,420,084	137,635,662
Aggregate Book Value of Unquoted Investments	147,135,864	132,599,989

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

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

(Amount in ₹)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Deferred Tax Asset</b>		
<b>Fixed Assets</b> : Impact of difference between Tax Depreciation and Depreciation charged for the Financial Reporting	83,976	119,314
<b>Other:</b> Impact of expenditure charged to the statement of profit and loss in the current year but allowed for tax purposes on payment basis.	101,033	27,300
<b>Net</b>	<b>185,009</b>	<b>146,614</b>

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

(Unsecured, Considered Good)

(Amount in ₹)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Share Application Money</b>		
- To Others	—	73,500
	—	73,500
<b>Others</b>		
Capital Advances (Refer Note 23 H)	100,000	—
Advance Tax & TDS (Net of Provisions)	1,141,430	1,141,430
Minimum Alternative Tax Credit Entitlement	38,135,816	11,032,998
	39,377,246	12,174,428
<b>Total</b>	<b>39,377,246</b>	<b>12,247,928</b>

# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

## Note 14 : Current Investments

(Amount in ₹)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>(Valued at lower of cost or fair value, unless stated otherwise)</b>		
<b>Quoted :</b>		
<b>Investments in Mutual Funds</b>		
74 (PY Nil) Units of Reliance Liquid Fund - Cash Plan-Daily Dividend Option	82,238	—
6222 (PY Nil) Units of Reliance Money Manager Fund-Inst.-Daily Dividend Plan	6,268,470	—
<b>Total</b>	<b>6,350,708</b>	<b>—</b>

Particulars	As at 31.03.2017	As at 31.03.2016
Aggregate NAV of Quoted Investments	6,350,708	—
Aggregate Book Value of Quoted Investments	6,350,708	—

## Note 15 : Trade Receivables

(Unsecured, Considered good)

(Amount in ₹)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Trade receivables</b>		
Outstanding for a period exceeding six months from the date they are due for payment	—	—
Others	1,793,076	6,052
	<b>1,793,076</b>	<b>6,052</b>

## Note 16 : Cash and bank balance

(Amount in ₹)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Cash and Cash Equivalents</b>		
Balances with banks		
- Current account	919,510	618,090
Cash on hand	38,041	34,078
<b>Other Bank Balance</b>		
Unclaimed Dividend	456,770	456,770
<b>Total</b>	<b>1,414,321</b>	<b>1,108,938</b>

# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

## Note 17 : Short-term Loans and Advances

(Unsecured, Considered Good)

(Amount in ₹)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Loans and Advances</b>		
Secured		
- To Others	6,857,263	5,463,461
	<b>6,857,263</b>	<b>5,463,461</b>
<b>Unsecured</b>		
- To Related Parties	58,208,921	14,952,568
- To Others	133,389,390	84,171,837
	<b>191,598,311</b>	<b>99,124,405</b>
<b>Advance Recoverable in Cash or in Kind</b>		
- To Related Parties	230,000	
- To Others	6,600,500	7,600,300
	<b>6,830,500</b>	<b>7,600,300</b>
<b>Amount Receivable against sale of Shares</b>		
- From Related Parties	16,747,500	18,980,500
- From Others	-	1,00,000
	<b>16,747,500</b>	<b>19,080,500</b>
<b>Other Loans and Advances</b>		
Prepaid Expenses	15,876	12,905
<b>Total</b>	<b>222,049,450</b>	<b>131,281,571</b>

## Loans & Advances to Related Parties Include :

(Amount in ₹)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Loans to related parties -</b>		
<b>Subsidiary Companies</b>		
Ladderup Wealth Management Private Limited	1,249,012	1,036,561
<b>Enterprises over which Key Management Personnel and their relatives are able to exercise significant influence</b>		
New India Spinning Company	5,465,717	5,465,717
K.L. Venture & Enterprises	8,630,196	-
Ladderup Corporate Advisory Private Limited	-	5,908,241
<b>Associate Company</b>		
Annapurana Pet Private Limited	30,346,077	2,542,049
<b>Partnership firm in which Key Management Personnel is Partner</b>		
SGCO & Co. LLP	12,517,919	-
	<b>58,208,921</b>	<b>14,952,568</b>
<b>Advance Recoverable in Cash or in Kind</b>		
Sunil Goyal	230,000	-
	<b>230,000</b>	<b>-</b>
<b>Amount Receivable against sale of Shares -</b>		
<b>Enterprises having same Key Management Personnel</b>		
Ladderup Venture LLP	16,747,500	16,747,500
<b>Key management personnel</b>		
Mr. Sunil Goyal	-	1,116,500
Mr. Manoj Singrodia	-	1,116,500
	<b>16,747,500</b>	<b>18,980,500</b>

# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

## Note 18 : Revenue from Operations

(Amount in ₹)

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Interest Income	13,586,461	9,364,564
Net Gain from Sale of Long-term investments	136,575,680	26,207,160
<b>Dividend</b>		
- From Non-current investment	1,062,830	1,398,235
- From Current investment	1,622,305	-
<b>Other Operating Income</b>		
Loan Processing Fees	600,000	-
<b>Total</b>	<b>153,447,276</b>	<b>36,969,959</b>

## Note 19 : Employee Benefit Expenses

(Amount in ₹)

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Director Remuneration	9,600,000	2,400,000
Salaries, Bonus and Incentives	1,844,030	1,161,292
Staff Welfare Expenses	166,792	-
<b>Total</b>	<b>11,610,822</b>	<b>3,561,292</b>

## Note 20 : Finance Costs

(Amount in ₹)

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Bank Charges	7,027	1,541
Interest Expenses	8,656,609	4,620,818
Other Borrowing Cost	407,963	-
<b>Total</b>	<b>9,071,599</b>	<b>4,622,359</b>

## Note 21 : Other Expenses

(Amount in ₹)

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Communication Costs	36,639	11,577
Insurance	16,408	5,770
Stipend	157,668	165,910
Travelling & Conveyance	172,804	192,991
Professional Fees	121,780	161,148
Board Meeting Expenses	27,062	31,012
Printing & Stationery	58,848	86,519
Advertisement	52,776	199,548

## ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Donation	1,625,000	800,000
Payment to Auditors	30,000	30,000
Loss on Sale of Fixed Assets	-	383,327
Director Sitting Fees	150,000	180,000
Listing Fees	229,000	224,720
Securities Transaction Tax	440,712	69,772
Contingent Provision against Standard Assets	496,139	-
Sundry balance w/off	1,150,000	-
Miscellaneous Expenses	777,446	239,302
<b>Total</b>	<b>5,542,281</b>	<b>2,781,596</b>

**Payment to Auditors includes :**

(Amount in ₹)

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Statutory Audit Fees	22,500	22,500
Tax Audit Fees	7,500	7,500
<b>Total</b>	<b>30,000</b>	<b>30,000</b>

**Note 22 : Earnings Per Equity Share:**

(Amount in ₹)

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
<b>Basic Earnings Per Share</b>		
Profit Attributable to Equity Shareholders	126,184,903	25,465,808
Weighted average number of equity shares	12,852,600	12,852,600
<b>Basic Earnings per share</b>	9.82	1.98
<b>Face value per share</b>	10	10
<b>Dilutive Earnings Per Share</b>		
Profit after adjusting Interest on Potential Equity Shares	126,184,903	25,465,808
Weighted Average Number of Equity Share after considering Potential Equity Shares	12,852,600	12,852,600
<b>Dilutive Earnings Per Share</b>	9.82	1.98
<b>Face Value Per Share</b>	10	10

**Note 23 : Accompanying Notes to Accounts**

**A) Contingent Liabilities :**

i) Disputed Income Tax Liability amounting ₹ 1,116,826. (PY ₹ 1,116,826.)

**B)** In the opinion of the Board the Current Assets, Loans & Advances are realisable in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of amount reasonably necessary.

## ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

### C) Disclosure pursuant to Accounting Standard – 15 ‘Employee Benefits’

#### Actuarial Assumptions:

(Amount in ₹)

Services Rendered	Year Ended 31.03.2017	Year Ended 31.03.2016
Salary Growth *	6.00%	6.00%
Discount Rate	7.10%	7.80%
Withdrawal Rate	5.00%	5.00%

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

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

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Present Value of Obligation as at the beginning of the year:	62,215	7,052
Interest Cost	4,901	550
Current Service Cost	69,051	11,498
Benefits Paid	-	-
Actuarial (Gain) / Loss on Obligation	176,474	43,115
Closing Present Value of Obligation	312,641	62,215

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

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Actuarial Gain/ (Loss) for the year Obligation	(176,474)	(43,115)
Total (Gain)/ Loss for the year	(102,522)	(31,067)
Actuarial (Gain)/ Loss recognised during the year	176,474	43,115

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

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Present Value of Obligation as at the end of the year	312,641	62,215
Funded Value of Assets (Unfunded)	-	-
Net Assets / (Liability) Recognised in Balance Sheet	(312,641)	(62,215)
- Non Current Assets / Liability	(310,353)	(61,860)
- Current Assets / Liability	(2,288)	(355)

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

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
Current Service Cost	69,051	11,498
Past Service Cost	-	-
Interest Cost	4,901	550
Expected Return on Plan Assets	-	-
Net Actuarial (Gain) / Loss Recognised in the year	176,474	43,115
Expenses Recognised in the Statement of Profit and Loss	250,426	55,163

# ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

Amounts of Gratuity for the current and previous four years are as follows:

Gratuity*					
Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016	Year Ended 31.03.2015	Year Ended 31.03.2014*	Year Ended 31.03.2013*
Defined benefit obligation	(312,641)	(62,215)	(7,052)	-	-
Plan assets	-	-	-	-	-
Surplus/(deficit)	(312,641)	(62,215)	(7,052)	-	-
Experience adjustments on plan liabilities	155,048	43,657	(4,586)	-	-
Experience adjustments on plan assets	-	-	-	-	-
Actuarial gain/(loss) due to change in assumption	21,426	(542)	1,455	-	-

\* Since there was no employees in the earlier years.

## D) Segment Reporting

### a. Basis of Preparation

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

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

#### i. Segment Information

(Amount in ₹)

Particulars	Year Ended 31.03.2017		Year Ended 31.03.2016	
Segment Revenue (net) from Sales to Investment & Trading Activities	139,260,815		29,227,700	
Finance Activities	14,186,461		9,364,564	
<b>Total</b>		<b>153,447,276</b>		<b>38,592,264</b>
Segment Results				
Investment & Trading Activities	138,794,465		29,140,370	
Finance Activities	51,21,889		4,743,746	
<b>Total</b>		<b>143,916,354</b>		<b>33,884,116</b>
Less: Unallocated Corporate Expenses		16,811,416		6,373,283
<b>Profit before Tax</b>		<b>127,104,938</b>		<b>27,510,833</b>
Less : Tax Expense		920,035		422,720
<b>Net Profit</b>		<b>126,184,903</b>		<b>27,088,113</b>

#### Note :

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

## ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

### E) Related Party Disclosures

#### a. List of Related Parties:

Name of the Party	Relationship
Mr. Sunil Goyal	Managing Director
Mr. Manoj Singrodia	Director
Mr. Sanket Limbachiya	Company Secretary
Mr. Suresh Kumar Kumawat	Chief Financial Officer
Mrs. Usha Goyal	Relative of Key Management Personnel
Mrs. Santosh Singrodia	
Ladderup Corporate Advisory Private Limited (Upto 30/09/2015)	Subsidiary Company
Ladderup Wealth Management Private Limited	
Ladderup Foundation	A trust in which directors of Company are trustees
Annapurna Pet Private Limited	Associate Company
SGCO & Co. LLP	Partnership firm in which Key Management Personnel is Partner
Ladderup Corporate Advisory Private Limited (From 01/10/2015)	Enterprises over which Key Management Personnel or their relatives are able to exercise significant influence
Ladderup Venture LLP	
K.L. Venture & Enterprises	
New India Spinning Company	

#### b. Transactions with Related Parties

(Amount in ₹)

Name of Party	Nature of Transaction	Year Ended 31.03.2017	Year Ended 31.03.2016
Ladderup Corporate Advisory Private Limited	Loan Granted	-	9,400,000
	Purchase of Shares	-	23,250,000
	Repayment of Loan Given	-	8,346,417
	Interest Income	-	3,439,209
Ladderup Wealth Management Private Limited	Loan Granted	2,000,000	1,000,000
	Repayment of Loan Given	1,912,495	414,723
	Interest Income	124,946	44,634
Mr. Manoj Singrodia	Sale of Shares	-	1,116,500
Mr. Sunil Goyal	Director Remuneration	9,600,000	2,400,000
	Sale of Shares	-	1,116,500
Mr. Sanket Limbachiya	Salary paid	600,004	474,224
Mr. Suresh Kumar Kumawat	Salary paid	742,500	490,063
Ladderup Foundation	Donation	1,300,000	800,000

**ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31<sup>ST</sup> MARCH, 2017**

<b>Name of Party</b>	<b>Nature of Transaction</b>	<b>Year Ended 31.03.2017</b>	<b>Year Ended 31.03.2016</b>
Ladderup Venture LLP	Sale of Shares	-	16,747,500
Annapurna Pet Private Limited	Loan Granted	30,000,000	2,500,000
	Repayment of Loan Given	3,126,794	492
	Interest Income	930,822	4,918
	Investment in Equity Shares	29,600,000	6,931,000
	Investment in Preference Shares	1,380,000	30,421,000
New India Spinning Co.	Repayment of Loan Given	-	59,271
	Interest Income	-	591,958
SGCO & Co. LLP	Loan Granted	14,500,000	-
	Repayment of Loan Given	2,557,546	-
	Interest Income	575,465	-
K. L. Venture & Enterprises	Loan Granted	10,080,000	-
	Repayment of Loan Given	2,061,133	-
	Interest Income	611,329	-

**c. Balance Outstanding of Related Parties** **(Amount in ₹)**

<b>Name of Party</b>	<b>Receivable / Payable</b>	<b>Year Ended 31.03.2017</b>	<b>Year Ended 31.03.2016</b>
Ladderup Corporate Advisory Private Limited	Receivable	-	5,908,241
Ladderup Wealth Management Private Limited	Receivable	1,249,012	1,036,561
Annapurna Pet Private Limited	Receivable	30,346,077	2,542,049
Ladderup Venture LLP	Receivable	16,747,500	16,747,500
SGCO & Co. LLP	Receivable	12,517,919	-
K. L. Venture & Enterprises	Receivable	8,630,196	-
Mr. Sunil Goyal	Receivable	230,000	1,116,500
Mr. Sunil Goyal	Payable	38,307	51,207
Mr. Manoj Singrodia	Receivable	-	1,116,500
New India Spinning Company	Receivable	5,465,717	5,465,717
Mr. Suresh Kumar Kumawat	Payable	58,116	46,035
Mr. Sanket Limbachiya	Payable	45,490	37,913

**ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED  
31<sup>ST</sup> MARCH, 2017**

**F) Additional Information pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015**

**(i) Details of Loans to Subsidiaries**

**(Amount in ₹)**

Particulars	As at 31.03.2017		As at 31.03.2016	
	Amount	Maximum Amount Outstanding	Amount	Maximum Amount Outstanding
Ladderup Wealth Management Private Limited	1,249,012	1,249,012	1,036,561	1,036,561

**(i) Details of Loans to Associate**

**(Amount in ₹)**

Particulars	As at 31.03.2017		As at 31.03.2016	
	Amount	Maximum Amount Outstanding	Amount	Maximum Amount Outstanding
Annapurna Pet Private Limited	30,346,077	30,346,077	2,542,049	2,542,049

**b) (i) Details of Investments in Subsidiaries**

**(No. of Shares)**

Name of Subsidiary Company	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016
Ladderup Corporate Advisory Private Limited*	-	43,500
Ladderup Wealth Management Private Limited	134,000	134,000

\* During the previous financial year on 30<sup>th</sup> September, 2015 the company had sold 246,500 equity shares of Its 100% subsidiary company, Ladderup Corporate Advisory Private Limited (LCAPL) and thereby the holding of the company in LCAPL was reduced to 15% and LCAPL ceased to be a subsidiary company w.e.f 30th September, 2015.

**(ii) Details of Investments in Associates**

**Equity Shares**

**(Amount in ₹)**

Name of Subsidiary Company	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016
Annapurna Pet Private Limited	1,488,210	304,210

**Preference Shares:**

**(Amount in ₹)**

Name of Associate Company	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016
Annapurna Pet Private Limited	83,110	69,310

## ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017

- G) Details of Specified Bank Notes (SBN) and other denomination notes held and transacted during the period from November 8, 2016 to December, 30 2016 as required by the MCA notification G.S.R. 308(E) dated March 31, 2017 is as below:**

Particulars	SBNs	Other	Total ₹
Closing cash in hand as on 08.11.2016	-	12,676	12,676
(+) Permitted receipts	-	231,000	231,000
(-) Permitted payments	-	79,710	79,710
(-) Amount deposited in Banks	-	-	-
Closing cash in hand as on 30.12.2016	-	163,966	163,966

- H)** Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances) ₹ 2,197,067/- (PY ₹Nil).
- I)** Company has transferred an amount of ₹ 25,236,981/- (P.Y. ₹ 5,093,162/-) equivalent to 20% of the Profits after Tax of the Company to Special Reserve Account in compliance with Section 45IC of the Reserve Bank of India Act.
- J)** The previous year's figures have been re-grouped / re-classified to conform to this year's classification.

### In terms of our Report of even date

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

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

Place : Mumbai  
Date : 29<sup>th</sup> May, 2017

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

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

**Sanket Limbachiya**  
*Company Secretary*  
**Mem. No. A38424**

Place : Mumbai  
Date : 29<sup>th</sup> May, 2017

**Mangala R. Prabhu**  
*Director*  
**DIN : 06450659**

**Suresh Kumawat**  
*Chief Financial Officer*

**BALANCE SHEET OF A NON DEPOSIT TAKING NON-BANKING FINANCIAL  
COMPANY AS ON 31<sup>ST</sup> MARCH, 2017**

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

Sr. No.	Particulars	Amount outstanding	Amount overdue
(1)	<b>LIABILITIES SIDE</b>		
	<b>Loans and advances availed by the Non Banking Financial Company inclusive of interest accrued thereon but not paid:</b>		
	(a) Debentures : Secured	Nil	NA
	Unsecured	Nil	NA
	(other than falling within the meaning of Public deposits *)		
	(b) Deferred Credits	Nil	NA
	(c) Term Loans	47,300,000	Nil
	(d) Inter-corporate loans and borrowing	Nil	NA
	(e) Commercial Paper	Nil	NA
	(f) Other Loans	Nil	NA
	*Please see Note 1 below		

	<b>ASSETS SIDE</b>	<b>Amount outstanding</b>
(2)	<b>Break-up of Loans and Advances including bills receivables [other than those included in (4) below]:</b>	
	(a) Secured	Nil
	(b) Unsecured	260,269,390
		260,269,390
(3)	<b>Break up of Leased Assets and stock on hire and hypothecation loans counting towards AFC activities</b>	
	(i) Lease assets including lease rentals under sundry debtors :	
	(a) Financial lease	Nil
	(b) Operating lease	Nil
	(ii) Stock on hire including hire charges under sundry debtors:	
	(a) Assets on hire	Nil
	(b) Repossessed Assets	Nil
	(iii) Other Loans counting towards AFC activities	
	(a) Loans where assets have been repossessed	Nil
	(b) Loans other than (a) above	Nil

**BALANCE SHEET OF A NON DEPOSIT TAKING NON-BANKING FINANCIAL  
COMPANY AS ON 31<sup>ST</sup> MARCH, 2017**

(4)	<b>Break-up of Investments:</b> <b>Current Investments:</b> 1 Quoted: (i) Shares: (a) Equity Nil (b) Preference Nil (ii) Debentures and Bonds Nil (iii) Units of mutual funds 6,350,708 (iv) Government Securities Nil (v) Others (please specify) Nil 2 Unquoted: (i) Shares: (a) Equity Nil (b) Preference Nil Debentures and Bonds Nil Units of mutual funds Nil Government Securities Nil Others Nil <b>Long term Investments</b> 1 Quoted: (i) Shares: (a) Equity 189,420,084 (b) Preference Nil Debentures and Bonds Nil Units of mutual funds Nil Government Securities Nil Others (please specify) Nil 2 Unquoted: (i) Shares: (a) Equity 132,915,114 (b) Preference 8,860,750 Debentures and Bonds Nil Units of mutual funds Nil Government Securities Nil Others 5,360,000 <div style="text-align: right;"><b>Total</b></div>	<b>342,906,652</b>
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(5)	<b>Borrower group - wise classification of assets financed as in (2) and (3) above</b> Please see Note 2 below <b>Category</b>	<b>Amount net of Provisions</b>		
		<b>Secured</b>	<b>Unsecured</b>	<b>Total</b>
	1. Related Parties			
	(a) Subsidiaries	Nil	1,249,012	1,249,012
	(b) Companies in the same group	Nil	Nil	Nil
	(c) Other related parties	Nil	73,937,409	73,937,409
	2. Other than related parties	Nil	185,082,969	185,082,969
	<b>Total</b>	<b>Nil</b>	<b>260,269,390</b>	<b>260,269,390</b>

**BALANCE SHEET OF A NON DEPOSIT TAKING NON-BANKING FINANCIAL  
COMPANY AS ON 31<sup>ST</sup> MARCH, 2017**

<b>(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):</b>			
Please see Note 3 below			
<b>Category</b>		<b>Market Value / Break up or fair value or NAV</b>	<b>Book Value (Net of Provisions)</b>
1.	Related Parties		
	(a) Subsidiaries	9,723,741	5,360,000
	(b) Companies in the same group	Nil	Nil
	(c) Other related parties	14,225,111	10,655,155
2.	Other than related parties	446,306,723	326,891,497
<b>Total</b>		<b>470,255,574</b>	<b>342,906,652</b>

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

**Notes :**

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

# AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS OF LADDERUP FINANCE LIMITED

#### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Ladderup Finance Limited (hereinafter referred to as "the Holding Company"), its subsidiaries and its associate (the Holding Company, its subsidiaries and its associate together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

#### Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the Companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An

## AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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, of the consolidated state of affairs of the Group as at 31<sup>st</sup> March, 2017, and their consolidated profit and their consolidated cash flows for the year ended on that date.

### Other Matters

The Consolidated financial statement include the Group's Share of net profit of ₹ 18.12 Lakhs for the year ended March 31, 2017 as considered in consolidated financial results, in respect of an associate. The financial statements / financial information have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of said associate, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act in so far as it relates to the aforesaid associate, is based solely on such unaudited financial statements / financial information.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the financial statements / financial information certified by the Management.

### Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the directors of the Holding Company as on 31<sup>st</sup> March, 2017 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary Companies none of the

## AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

directors of the Group Companies is disqualified as on 31<sup>st</sup> March, 2017 from being appointed as a director in terms of Section 164(2) of the Act.

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in **"Annexure A"**.
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 24(A)(i) to the consolidated financial statements.
  - ii. The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary Companies.
  - iv. The Company has provided requisite disclosures in its consolidated financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 24 F to the financial statements.

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

**Sampat Khurdia**  
Partner  
**Mem. No. : 33615**

Place : Mumbai  
Date : 29<sup>th</sup> May, 2017

# AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

## Annexure to the Independent Auditor's Report

### Annexure-A to the Auditor's Report

#### **Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act").**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31<sup>st</sup> March 2017, we have audited the internal financial controls over financial reporting of **Ladderup Finance Limited** (hereinafter referred to as "the Holding Company"), its subsidiary companies and its associate, which are companies incorporated in India, as of that date.

#### **Management's Responsibility for Internal Financial Controls**

The Respective Board of Directors of the Holding Company, its subsidiary companies and its associate, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

#### **Auditor's Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") issued by ICAI and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. 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.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for

## AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Holding Company, its subsidiary companies and its associate, which are companies incorporated in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

### **Other Matter**

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting do not include one associate, which is company incorporated in India, as financial statements of the said associate is unaudited.

**For Khurdia Jain & Co.**

Chartered Accountants

**Firm Regn. No. : 120263W**

**Sampat Khurdia**

Partner

**Mem. No. : 33615**

Place : Mumbai

Date : 29<sup>th</sup> May, 2017

# CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2017

(Amount in ₹)

Particulars	Note Nos	As at 31.03.2017	As at 31.03.2016
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	128,526,000	128,526,000
Reserves and Surplus	3	373,158,911	240,226,956
		<b>501,684,911</b>	<b>368,752,956</b>
<b>Minority Interest</b>		<b>2,809,305</b>	<b>1,325,561</b>
<b>Non-Current Liabilities</b>			
Long-term Borrowings	4	43,358,335	—
Long-term Provisions	5	1,233,909	754,585
		<b>44,592,244</b>	<b>754,585</b>
<b>Current Liabilities</b>			
Short-term Borrowings	6	45,461,027	32,607,342
Trade Payables	7	2,724,805	3,575,705
Other Current Liabilities	8	9,138,104	2,956,209
Short-term Provisions	9	9,589,339	4,619,566
		<b>66,913,275</b>	<b>43,758,822</b>
		<b>615,999,735</b>	<b>414,591,924</b>
<b>ASSETS</b>			
<b>Non-current Assets</b>			
Fixed Assets	10		
- Tangible Assets		2,430,035	2,567,190
- Intangible Assets		93,512	121,815
		<b>2,523,547</b>	<b>2,689,005</b>
Non-current Investments	11	327,589,389	257,512,542
Deferred Tax Assets (Net)	12	471,920	363,751
Long-term Loans and Advances	13	41,364,346	14,097,150
		<b>371,949,202</b>	<b>274,662,448</b>
<b>Current Assets</b>			
Current Investments	14	11,161,597	—
Trade Receivables	15	8,739,325	6,796,846
Cash and Bank Balances	16	2,986,081	2,621,322
Short-term Loans and Advances	17	221,163,531	130,511,308
		<b>244,050,534</b>	<b>139,929,476</b>
		<b>615,999,735</b>	<b>414,591,924</b>
Significant Accounting Policies	1		
Accompanying Notes to Accounts	24		

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

**For Khurdia Jain & Co.**

*Chartered Accountants*

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

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

**Mangala R. Prabhu**  
*Director*  
**DIN : 06450659**

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

**Sanket Limbachiya**  
*Company Secretary*  
**Mem. No. A38424**

**Suresh Kumawat**  
*Chief Financial Officer*

Place : Mumbai  
Date : 29<sup>th</sup> May, 2017

Place : Mumbai  
Date : 29<sup>th</sup> May, 2017

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS**  
**FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

(Amount in ₹)

Particulars	Note Nos	Year Ended 31.03.2017	Year Ended 31.03.2016
<b>REVENUE</b>			
Revenue from Operations	18	183,671,453	69,725,000
Other Income	19	35,344	361,749
		<b>183,706,798</b>	<b>70,086,749</b>
<b>EXPENSES</b>			
Employee Benefits Expenses	20	27,897,260	32,863,344
Finance Costs	21	9,075,267	4,641,225
Depreciation and Amortization Expenses	10	279,044	864,178
Other Expenses	22	14,711,398	19,808,594
		<b>51,962,969</b>	<b>58,177,341</b>
<b>Profit Before Tax</b>		<b>131,743,828</b>	<b>11,909,408</b>
<b>Less : Tax Expenses</b>			
Current Tax		29,014,000	5,345,978
Minimum Alternate Tax Credit Entitlement		(27,816,659)	(4,839,495)
Minimum Alternate Tax of earlier years		5,310	(30,613)
Deferred Tax	12	(108,169)	(109,607)
Taxation of Earlier Years		(31,752)	13,406
Profit for the Year before Minority Interest		<b>130,681,098</b>	<b>11,529,739</b>
Less : Minority Interest		1,483,744	(1,406,633)
Less : Current year profit/(loss) share of Associates		1,812,308	(904,960)
<b>Profit for the Year</b>		<b>131,009,662</b>	<b>12,031,412</b>
Earnings Per Equity Share:	23		
(Nominal Value of ₹ 10 each)			
- Basic		10.19	0.94
- Diluted		10.19	0.94
Significant Accounting Policies	1		
Accompanying Notes to Accounts	24		

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

**For Khurdia Jain & Co.**

*Chartered Accountants*

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

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

**Mangala R. Prabhu**  
*Director*  
**DIN : 06450659**

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

**Sanket Limbachiya**  
*Company Secretary*  
**Mem. No. A38424**

**Suresh Kumawat**  
*Chief Financial Officer*

Place : Mumbai  
Date : 29<sup>th</sup> May, 2017

Place : Mumbai  
Date : 29<sup>th</sup> May, 2017

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

(Amount in ₹)

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
<b>A. Cash Flow from Operating Activities</b>		
<b>Profit before Tax</b>	<b>131,743,828</b>	<b>11,909,408</b>
Adjustments for:		
Depreciation on Fixed Assets	279,043	864,178
Contingent Provision against Standard Assets	496,139	
Loss on Sale of Fixed Assets	—	383,327
Profit on Sale of Fixed Assets	—	(165,302)
Interest Expense	8,656,609	4,620,818
Interest Income	—	(91,049)
Dividend	(5,320)	(85,658)
Loss /(Profit) from sale of investments (Net)	—	277
<b>Operating Profit before Working Capital Changes</b>	<b>141,170,299</b>	<b>17,435,999</b>
Adjustments for :		
(Increase) / Decrease in Trade Receivables	(1,942,479)	(2,933,576)
(Increase) / Decrease in Short Term Loans and Advances	(90,652,223)	(15,739,758)
(Increase) / Decrease in Long Term Loans and Advances	(312,451)	(1,206,898)
(Increase) / Decrease in Other Current Assets	—	(22,000)
(Increase) / Decrease in Non-Current Investments	(66,320,298)	(8,311,192)
(Increase) / Decrease in Current Investments	(11,161,597)	—
Increase / (Decrease) in Trade Payables	(850,900)	(73,228)
Increase / (Decrease) in Other Current Liabilities	6,181,895	1,061,747
Increase / (Decrease) in Short Term Provisions	45,695	48,676
Increase / (Decrease) in Long Term Provisions	479,324	123,852
<b>Cash Generated from Operations</b>	<b>(23,362,736)</b>	<b>(9,616,377)</b>
Income Tax paid	(23,983,656)	(5,336,022)
<b>Net Cash Inflow from/ (Outflow) from operating Activities (A)</b>	<b>(47,346,392)</b>	<b>(14,952,399)</b>
<b>B. Cash Flow from Investing Activities</b>		
Sale Proceeds from Investments	—	1,282,951
Purchase of Fixed Assets	(135,531)	(1,201,933)
Sale Proceeds from Fixed Assets	—	680,000
Share Application Money	73,500	(73,500)
Interest Received	—	91,049
Dividend Received	5,320	85,658
<b>Net Cash Outflow from Investing Activities (B)</b>	<b>(56,711)</b>	<b>864,225</b>

**CONSOLIDATED CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from Long Term Borrowings	43,358,336	—
Proceeds from Short Term Borrowings	13,066,136	11,297,167
Interest paid	(8,656,609)	(4,620,818)
Dividend and Taxes paid thereon	—	—
<b>Net Cash Inflow from Financing Activities (C)</b>	<b>47,767,863</b>	<b>6,676,349</b>
<b>Net Increase in Cash and Cash Equivalents (A+B+C)</b>	<b>364,760</b>	<b>(7,411,825)</b>
<b>Add : Opening Cash and Cash Equivalents</b>	<b>2,164,552</b>	<b>7,340,497</b>
Less - Adjustment on account of Subsidiary cease to be exist	—	(2,235,881)
<b>Closing Cash and Cash Equivalents</b>	<b>2,529,311</b>	<b>2,164,552</b>

Notes :

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

(Amount in ₹)

Particulars	As at 31.03.2017	As at 31.03.2016
Cash in Hand	98,193	274,687
Bank Balances		
- In Current account	2,431,118	1,889,865
	<b>2,529,311</b>	<b>2,164,552</b>

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

**For Khurdia Jain & Co.**

*Chartered Accountants*

**Sampat Khurdia**

*Partner*

**Mem. No. 33615**

Place : Mumbai

Date : 29<sup>th</sup> May, 2017

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

**Sunil Goyal**

*Managing Director*

**DIN : 00503570**

**Sanket Limbachiya**

*Company Secretary*

**Mem. No. A38424**

Place : Mumbai

Date : 29<sup>th</sup> May, 2017

**Mangala R. Prabhu**

*Director*

**DIN : 06450659**

**Suresh Kumawat**

*Chief Financial Officer*

## **ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

### **Note 1 : Significant Accounting Policies**

#### **(A) Basis of preparation of financial statements**

- a. The Financial Statement have been prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis and in compliance with all the mandatory accounting standards as prescribed under Section 133 of the Companies Act 2013 ('Act') read with Rule 7 of Companies (Accounts) rules, 2014.
- b. Financial Statements are based on historical cost convention and are prepared on accrual basis

#### **(B) Principles of Consolidation**

The consolidated financial results comprise of the financial statements of Ladderup Finance Limited (LFL) and its subsidiary Ladderup Wealth Management Private Limited (LWMPL) and associate Annapurna Pet Private Limited, which are consolidated in accordance with the Accounting Standard 21 on "Consolidated Financial Statements" and Accounting Standard 23 on "Accounting for Investments in Associates in Consolidated Financial Statements" respectively.

The Consolidated Financial Statements relate to Ladderup Finance Limited ('The Company') and its Subsidiaries and Associates have been prepared on the following basis:

- i) The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together the balances of like items of assets, liabilities, income and expenditure after fully eliminating the intra-group balances and intra-group transactions resulting in unrealized profit or loss.
- ii) The financial statements of the Company and its associates has been accounted under the equity method as per Accounting standard 23 on accounting for Investments in Associates in Consolidated Financial Statements
- iii) The Consolidated Financial Statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.
- iv) The excess of cost to the Company of its investments in the subsidiaries over its portion of equity of subsidiaries at the dates they become subsidiaries is recognised in the financial statements as goodwill.
- v) The excess of Company's portion of equity of the subsidiaries over the cost to the Company of its investments at the dates they become subsidiaries is recognised in the financial statements as capital reserve.

#### **(C) Other Significant Accounting Policies**

##### **i) Use of Estimates**

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the financial statements and the reported amounts of revenues and expenses during the reporting period.

Difference between actual results and estimates are recognised in the periods in which the results are known/materialise.

##### **ii) Revenue Recognition**

- a) Profit or Loss from dealing in shares and securities are recognised on settlement dates.
- b) Interest is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.

## **ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

- c) Fees for Corporate Advisory Services related consultancy are accounted for on the substantial completion of assignment.
- d) Brokerage/Commission from each Fund House is recognised by the Company on the basis of the statements generated by the main registrar on periodic basis.
- e) Dividend on shares is being considered when the right to receive payment is established.
- f) In respect of other heads of income, the Company follows the practice of accounting on accrual basis.

### **iii) Fixed Assets**

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

### **iv) Depreciation and Amortisation**

- a) Depreciation on Fixed Assets is provided on 'Straight Line Method' considering their useful lives and residual value as provided in Schedule II of Companies Act, 2013.
- b) Depreciation on revalued assets to the extent of revaluation is charged from Revaluation Reserve.

### **v) Impairment of Fixed Assets**

An asset is treated as impaired when the carrying cost of asset exceeds its recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which an asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

### **vi) Investments**

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

### **vii) Borrowing Costs**

Borrowing costs are recognised as an expense in the period in which they are incurred except the borrowing cost attributable to be acquisitions\constructions of a qualifying assets which are capitalised as a part of the cost of the fixed assets, up to the date, the assets are ready for its intended use.

### **viii) Miscellaneous Expenditure**

- a) Preliminary expenses are amortized in the year in which they are incurred.
- b) Expenses on preferential issue of shares/warrants are written off against the securities premium received.

### **ix) Employee Benefits**

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

### **x) Provisions and Contingent Liabilities**

- a) Provisions are recognized in terms of Accounting Standard 29- "Provisions, Contingent Liabilities and Contingent Assets, when there is a present legal or statutory obligation as a result of past events where it is probable that there will be outflow of resources

## **ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

to settle the obligation and when a reliable estimate of the amount of the obligation can be made.

- b) Contingent Liabilities are recognised only when there is a possible obligation arising from past events due to occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the company or where reliable estimate of the obligation cannot be made. Obligations are assessed on an ongoing basis and only those having a largely probable outflow of resources are provided for.
- c) Contingent Liabilities are disclosed by way of notes.

### **xi) Foreign Currency Transactions**

- a) The transactions in foreign currencies on revenue accounts are stated at the rate of exchange prevailing on the date of transactions.
- b) The difference on account of fluctuation in the rate of exchange, prevailing on the date of transaction and the date of realisation is charged to the Statement of Profit & Loss.
- c) Differences on translation of Current Assets and Current Liabilities remaining unsettled at the year-end are recognised in the statement of Profit and Loss.

### **xii) Accounting for Taxation of Income**

#### **Current Taxes**

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

#### **Deferred Taxes**

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

#### **Minimum Alternative Tax**

Minimum Alternative Tax (MAT) credit is recognised as an assets in accordance with the recommendation contained in the Guidance note issued by the Institute of Chartered Accountants of India. The said assets is created by way of credit to the Statement of Profit and Loss and shown as MAT credit entitlement. The Company review the same at each Balance Sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.

### **xiii) Earnings Per Share:**

The Company reports basic and diluted Earnings Per Share (EPS) in accordance with the Accounting Standard 20 on Earnings Per Share. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year.

Diluted EPS is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

**ACCOMPANYING NOTES TO THE CONSOLIDATED  
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**Note 2 : Share Capital**

**a. Details of Authorised, Issued, Subscribed and Paid-up Capital**

(Amount in ₹)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Authorised Capital</b>		
150,00,000 (P.Y. 150,00,000) Equity Shares of ₹ 10/- each	150,000,000	150,000,000
<b>Issued, Subscribed and Paid-up Capital</b>		
12,852,600 (P.Y. 12,852,600) Equity Shares of ₹ 10/- each, fully paid-up	128,526,000	128,526,000
	<b>128,526,000</b>	<b>128,526,000</b>

**b. Terms & Conditions**

The Company has only one class of Equity Shares having a par value of ₹ 10 per Share. Each holder of Equity Share is entitled to one vote per share. In the event of liquidation of the Company, the holder of Equity Shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of Equity Shares held by the Shareholders.

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

Name of the Shareholders	As at 31.03.2017		As at 31.03.2016	
	No. of Equity Shares held	Percentage	No. of Equity Shares held	Percentage
Quiet Enterprises LLP	3,840,199	29.88%	3,840,199	29.88%
Sonu Portfolio Services Private Limited.	1,640,850	12.77%	1,640,850	12.77%
Indianivesh Capitals Limited	840,000	6.54%	840,000	6.54%
Nabhshika Financial Advisory Private Limited	689,702	5.37%	689,702	5.37%
Deepak Ghanshyam Ladha (Held on behalf on Shikha Financial Services)	601,834	4.68%	642,880	5.00%

**d. Reconciliation of Number of Shares**

Particulars	As at 31.03.2017		As at 31.03.2016	
	Equity Shares		Equity Shares	
	Number	₹	Number	₹
Shares outstanding at the beginning of the Year	12,852,600	128,526,000	12,852,600	128,526,000
Shares issued during the Year	—	—	—	—
Shares bought back during the Year	—	—	—	—
Shares outstanding at the end of the Year	12,852,600	128,526,000	12,852,600	128,526,000

**ACCOMPANYING NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**Note 3 : Reserves and Surplus**

(Amount in ₹)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>a. Capital Reserves</b>		
Opening Balance	300,000	300,000
Closing Balance	<b>300,000</b>	<b>300,000</b>
<b>b. Securities Premium account</b>		
Opening Balance	138,500,000	138,500,000
Add : Addition during the Year	—	—
Closing Balance	<b>138,500,000</b>	<b>138,500,000</b>
<b>c. Revaluation Reserve</b>		
Opening Balance	907,009	928,954
Less : Written back in current Year	21,945	21,945
Closing Balance	<b>885,064</b>	<b>907,009</b>
<b>d. General Reserve</b>		
Opening Balance	250,000	6,700,000
Add : Transfer during the Year	—	—
Add / (Less) : Adjustment for subsidiary ceased during the year	—	(6,450,000)
Closing Balance	<b>250,000</b>	<b>250,000</b>
<b>e. Special Reserve under section 45IC of RBI Act</b>		
Opening Balance	28,563,890	23,470,728
Add : Transfer during the Year	25,236,981	5,093,162
Closing Balance	<b>53,800,871</b>	<b>28,563,890</b>
<b>f. Surplus in the Statement of Profit and Loss</b>		
Opening Balance	71,706,057	86,967,371
Add : Net profit for the Year	131,009,662	12,031,412
Add : Prior Period adjustments (refer note 3A)	1,944,239	—
Add / (Less) : Adjustment for subsidiary ceased during the year	—	(15,741,422)
Less: Share of accumulated profit / (loss) of associate	—	(6,458,143)
Less : Transfer to Reserves	25,236,981	5,093,162
Closing Balance	<b>179,422,976</b>	<b>71,706,057</b>
<b>Total</b>	<b>373,158,911</b>	<b>240,226,956</b>

**ACCOMPANYING NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**Note 3A :** Prior Period adjustments represents difference between audited and unaudited financial statements of the associate Company of the previous year.

**Note 4 : Long-term Borrowings**

(Amount in ₹)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Secured</b>		
Term Loan	47,300,000	—
Less: Current maturities of Long Term Debt	3,941,665	—
<b>Total</b>	<b>43,358,335</b>	<b>—</b>

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

**Secured Corporate Term Loan From STCI**

- a) Term Loan from STCI Finance Limited amounting to ₹ 3,90,00,000/- (P.Y. ₹ Nil ) is secured by exclusive charge by way of registered mortgage of three plots of land in the name of Ladderup Enterprises Private Limited, a company owned/controlled by key management and/or their relatives. It carries interest rate of 13.50% per annum. The Loan is repayable in 48 equal monthly installments of ₹ 8,12,500/- each commencing from the end of 13th month of the date of first disbursement.
- b) Term Loan from STCI Finance Limited amounting to ₹ 83,00,000/- (P.Y. ₹ Nil ) is secured by exclusive charge by way of registered mortgage of premises of the company. It carries interest rate of 13.50% per annum. The Loan is repayable in 36 equal monthly installments of ₹ 2,30,556/- each commencing from the end of 13th month of the date of first disbursement.

**Note 5 : Long-term Provisions**

(Amount in ₹)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Provision for Employee Benefits:</b>		
Gratuity	1,233,909	754,585
<b>Total</b>	<b>1,233,909</b>	<b>754,585</b>

**Note 6 : Short-term Borrowings**

(Amount in ₹)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Secured</b>		
Loans from Others – Inter Corporate Deposit	45,461,027	29,000,000
<b>Unsecured</b>		
Loans from Others – Inter Corporate Deposit	—	3,607,342
<b>Total</b>	<b>45,461,027</b>	<b>32,607,342</b>

**Secured Loan from Others includes:**

- i) Secured Loan taken from Indianivesh Capital Limited amounting to ₹ 4,54,61,027/- (P.Y. ₹ 2,90,00,000/-) carrying interest rate of 13% p.a. The loan is repayable in March, 2018. The loan is secured against pledge of some of the shares held by the Company as non-current investment.

**ACCOMPANYING NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**Note 7 : Trade Payables Note**

(Amount in ₹)

Particulars	As at 31.03.2017	As at 31.03.2016
Trade Payables *		
Due to Micro, Small and Medium Enterprises	—	—
Other than Micro, Small and Medium Enterprises	2,724,805	3,575,705
<b>Total</b>	<b>2,724,805</b>	<b>3,575,705</b>

\* As on 31.03.2017, there are no amounts due to the suppliers covered under Micro, Small and Medium Enterprises Development Act, 2006.

**Note 8 : Other Current Liabilities**

(Amount in ₹)

Particulars	As at 31.03.2017	As at 31.03.2016
Current maturities of Long-term Debt	3,941,665	—
Interest Accrued but not due	1,272,001	319,187
Duties & Taxes Payable	2,283,046	1,292,069
Unclaimed Dividend	456,770	456,770
Employee Benefit Payable	1,184,622	888,183
<b>Total</b>	<b>9,138,104</b>	<b>2,956,209</b>

**Note 9 : Short-term Provisions**

(Amount in ₹)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Provision for Employee Benefits:</b>		
Bonus	198,032	162,868
Gratuity	46,197	35,666
<b>Others:</b>		
Contingent Provision against Standard Assets	496,139	—
Income Tax Provisions (Net of Advance tax and TDS)	8,848,971	4,421,032
<b>Total</b>	<b>9,589,339</b>	<b>4,619,566</b>

# **ACCOMPANYING NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

## **Note 10 : Fixed Assets**

(Amount in ₹)

Particulars	Gross Block				Accumulated Depreciation					Net Block			
	As at 01.04.2016	Additions during the year	Adjustment on sale of Subsidiary	Deletions during the year	As at 31.03.2017	Up to 31.03.2016	Depreciation charged for the year	Adjustment due to revaluations	Adjustments	Adjustment on sale of Subsidiary	Up to 31.03.2017	As at 31.03.2017	As at 31.03.2016
<b>Tangible Assets</b>													
Premises	2,078,750	—	—	—	2,078,750	738,234	10,489	21,945	—	—	770,668	1,308,082	1,340,516
Furniture & Fixtures	116,826	—	—	—	116,826	11,007	11,099	—	—	—	22,106	94,721	105,819
Vehicles	808,826	—	—	—	808,826	15,788	96,048	—	—	—	111,836	696,990	793,038
Office Equipments	103,100	22,990	—	—	126,090	90,377	5,330	—	—	—	95,707	30,383	12,723
Computers	1,427,231	112,541	—	—	1,539,772	1,112,862	127,051	—	—	—	1,239,913	299,859	314,369
Air Conditioners	52,553	—	—	—	52,553	51,829	724	—	—	—	52,553	—	724
<b>Total</b>	<b>4,587,286</b>	<b>135,531</b>	<b>—</b>	<b>—</b>	<b>4,722,817</b>	<b>2,020,096</b>	<b>250,741</b>	<b>21,945</b>	<b>—</b>	<b>—</b>	<b>2,292,782</b>	<b>2,430,035</b>	<b>2,567,190</b>
<b>Previous Year</b>	<b>19,236,563</b>	<b>1,201,933</b>	<b>12,815,812</b>	<b>3,035,398</b>	<b>4,587,286</b>	<b>11,762,469</b>	<b>774,282</b>	<b>21,945</b>	<b>(2,137,374)</b>	<b>(8,401,225)</b>	<b>2,020,096</b>	<b>2,567,190</b>	<b>7,474,095</b>
<b>Intangible Assets</b>													
Computer Software	442,344	—	—	—	442,344	320,529	28,303	—	—	—	348,832	93,512	121,815
<b>Total</b>	<b>442,344</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>442,344</b>	<b>320,529</b>	<b>28,303</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>348,832</b>	<b>93,512</b>	<b>121,815</b>
<b>Previous Year</b>	<b>846,118</b>	<b>—</b>	<b>403,774</b>	<b>—</b>	<b>442,344</b>	<b>444,679</b>	<b>89,896</b>	<b>—</b>	<b>—</b>	<b>(214,046)</b>	<b>320,529</b>	<b>121,815</b>	<b>401,439</b>

**ACCOMPANYING NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**Note 11 : Non-current Investments**

(Amount in ₹)

(Valued at cost, unless stated otherwise)

Name of the Body Corporate	No. of Shares / Units		Partly Paid / Fully paid	Amount	
	As at 31.03.2017	As at 31.03.2016		As at 31.03.2017	As at 31.03.2016
<b>I. Trade Investments</b>					
<b>Investment in Associates</b>					
<b>Equity Instruments – Unquoted</b>					
Annapurna Pet Private Limited {Including Goodwill of ₹ 23,924,499 (P.Y. ₹ 1,81,08,801)}	1,488,210	304,210	Fully Paid	60,021,000	30,421,000
Add/(less) – Share of post acquisition profit/(loss) (refer Note 3A)				(3,606,556)	(7,363,103)
	<b>1,488,210</b>	<b>304,210</b>	—	<b>56,414,444</b>	<b>23,057,897</b>
<b>Investments in Preference Shares</b>					
<b>Annapurna Pet Private Limited</b>	83,110	69,310	Fully Paid	8,311,000	6,931,000
	<b>83,110</b>	<b>69,310</b>	—	<b>8,311,000</b>	<b>6,931,000</b>
<b>II. Non Trade Investments</b>					
<b>Investment in Equity Instruments</b>					
<b>– Quoted, Others</b>					
Ahluwalia Contracts (India) Limited	50,000	75,000	Fully Paid	3,340,982	4,386,479
Asian Paint Limited	—	4,000	Fully Paid	—	2,410,035
BASF India Limited	—	5,000	Fully Paid	—	4,877,184
Bharat Wire Ropes Limited	—	9,441	Fully Paid	—	424,845
Camlin Fine Sciences Limited	—	10,000	Fully Paid	—	360,791
Capman Financials Limited	50,000	50,000	Fully Paid	500,000	500,000
Dhanuka Agritech Limited	8,000	8,000	Fully Paid	1,045,632	1,045,632
Federal Bank Limited	25,000	—	Fully Paid	2,161,796	—
Future Consumer Enterprises Limited	300,000	100,000	Fully Paid	6,838,704	1,314,924
GVK Power & Infrastructure Limited	—	255,000	Fully Paid	—	2,226,698
Hester Biosciences Limited	70,000	100,000	Fully Paid	8,023,205	11,492,770
Indianivesh Limited	1,750,000	1,750,000	Fully Paid	73,250,000	73,250,000
Ipca Laboratories Limited	12,000	5,000	Fully Paid	6,457,460	3,446,916
IRB Infrastructure Developers Limited	16,000	—	Fully Paid	3,680,535	—
Jaypee Infratech Limited	200,000	—	Fully Paid	1,913,219	—
Jet Airways (India) Limited	3,000	—	Fully Paid	1,405,989	—
JB Chemicals & Pharmaceuticals Limited	—	13,849	Fully Paid	—	3,630,348
Kisan Mouldings Limited	1,000,000	—	Fully Paid	40,000,000	—
LIC Housing Finance Limited	25,000	25,000	Fully Paid	6,141,055	5,566,674
Larsen & Toubro Limited	5,000	5,000	Fully Paid	6,915,494	6,915,494
Lupin Limited	2,500	2,500	Fully Paid	4,259,855	1,034,801
Mahindra & Mahindra Limited	10,000	2,000	Fully Paid	12,507,264	885,252
Marksans Pharma Limited	45,000	25,000	Fully Paid	2,022,270	921,879
Motilal Oswal Financial Services Limited	5,000	—	Fully Paid	1,830,447	—

**ACCOMPANYING NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

Name of the Body Corporate	No. of Shares / Units		Partly Paid / Fully paid	Amount	
	As at 31.03.2017	As at 31.03.2016		As at 31.03.2017	As at 31.03.2016
Nestle India Limited	—	500	Fully Paid	—	2,479,838
Onmobile Global Limited	—	20,000	Fully Paid	—	1,627,354
Oriental Bank of Commerce	5,000	—	Fully Paid	724,363	—
Pidilite Industries Limited	5,000	5,000	Fully Paid	1,775,484	1,775,484
SML Isuzu Limited	—	2,500	Fully Paid	—	2,723,349
South India Paper Limited	36,727	23,000	Fully Paid	3,666,995	2,034,977
Sun Pharma Advanced Research Company Limited	—	7,000	Fully Paid	—	1,427,027
Trigyn Technologies Limited	7,391	—	Fully Paid	959,335	—
Universal Cable Limited	—	10,000	Fully Paid	—	876,911
	<b>3,630,618</b>	<b>2,512,790</b>	<b>(A)</b>	<b>189,420,084</b>	<b>137,635,662</b>
<b>Investment in Equity Instruments – Unquoted, Others</b>					
Invent Bio-Media Private Limited	—	100,000	Fully Paid	—	4,000,000
Algorhythm Tech Private Limited	17	15	Fully Paid	6,375	5,625
JRI Technologies Private Limited	58,060	58,060	Fully Paid	7,000,000	7,000,000
Esskay Auto Finance Limited	2,707	2,707	Fully Paid	7,124,824	7,124,824
Jumboking Foods Private Limited	98,901	98,901	Fully Paid	8,855,155	8,855,155
Parag Milk & Milk Products Private Limited	—	600,000	Fully Paid	—	12,500,000
Lotus Spaces Private Limited	90,000	90,000	Fully Paid	1,800,000	1,800,000
Tops Security Limited	40,900	40,900	Fully Paid	2,863,000	2,863,000
Gini & Jony Limited	1,266,636	1,266,636	Fully Paid	40,894,760	40,894,760
Ladderup Corporate Advisory Private Limited	43,500	43,500	Fully Paid	4,350,000	4,350,000
	<b>1,600,721</b>	<b>2,300,719</b>	<b>(B)</b>	<b>72,894,114</b>	<b>89,393,364</b>
<b>Total Investment in Equity Instruments</b>	<b>5,231,339</b>	<b>4,813,509</b>	<b>(A)+(B)</b>	<b>262,314,198</b>	<b>227,029,026</b>
<b>Investments in Preference Shares</b>					
Algorhythm Tech Private Limited	1,466	1,319	Fully Paid	549,750	494,625
	<b>1,466</b>	<b>1,319</b>	<b>—</b>	<b>549,750</b>	<b>494,625</b>
<b>Grand Total</b>	<b>6,804,119</b>	<b>5,188,342</b>		<b>327,589,389</b>	<b>257,512,542</b>

Particulars	As at 31.03.2017	As at 31.03.2016
Aggregate Market Value of Quoted Investments	308,835,310	219,771,428
Aggregate Book Value of Quoted Investments	189,420,084	137,635,662
Aggregate Book Value of Unquoted Investments	141,775,864	127,239,989

**ACCOMPANYING NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

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

(Amount in ₹)

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

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Deferred Tax Asset</b>		
<b>Fixed Assets</b> : Impact of difference between Tax depreciation and Depreciation charged for the Financial Reporting	83,976	67,454
Impact of Expenditure charged to the Statement of Profit and Loss in the current year but allowed for Tax purposes on payment basis :	454,026	296,297
<b>Deferred Tax Liability</b>		
<b>Fixed Assets</b> : Impact of difference between Tax Depreciation and Depreciation charged for the Financial Reporting	66,082	—
<b>Net</b>	<b>471,920</b>	<b>363,751</b>

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

(Amount in ₹)

(Unsecured, considered good)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Security Deposits</b>		
- To Others	12,500	12,500
<b>Share Application Money</b>		
- To Others	—	73,500
<b>Others</b>		
Capital Advances (Refer Note 22H)	100,000	—
Advance Tax & TDS	1,141,430	1,712,083
Minimum Alternate Tax Credit Entitlement	40,110,416	12,299,067
<b>Total</b>	<b>41,364,346</b>	<b>14,097,150</b>

**ACCOMPANYING NOTES TO THE CONSOLIDATED  
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**Note 14 : Current Investments**

(Amount in ₹)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>(Valued at lower of cost or fair value, unless stated otherwise)</b>		
<b>Quoted:</b>		
<b>Investments in Mutual Funds</b>		
74 (P.Y. Nil) Units of Reliance Liquid Fund – Cash Plan – Daily Dividend Option	82,238	—
6222 (P.Y. Nil) Units of Reliance Money Manager Fund-Inst – Daily Dividend Plan	6,268,470	—
14,761 (P.Y. Nil) Units of Birla Sunlife Cash Plus – Growth Regular Plan	3,805,569	—
10,005 (P.Y. Nil) Units of Birla Sunlife Saving Fund – Daily Dividend Regular Plan Reinvestment	1,005,320	—
<b>Total</b>	<b>11,161,597</b>	<b>—</b>

Particulars	As at 31.03.2017	As at 31.03.2016
Aggregate NAV of Quoted Investments	11,200,895	—
Aggregate Book Value of Quoted Investments	11,161,597	—

**Note 15 : Trade Receivables**

(Amount in ₹)

(Unsecured, considered good)

Particulars	As at 31.03.2017	As at 31.03.2016
Outstanding for a period exceeding six months from the date they are due for payment	1,328,700	2,202,186
Other Debts	7,410,624	4,594,660
<b>Total</b>	<b>8,739,325</b>	<b>6,796,846</b>

**Note 16 : Cash and Bank Balance**

(Amount in ₹)

Particulars	As at 31.03.2017	As at 31.03.2016
Balances with banks		
- Current account	2,431,118	1,889,865
Cash in Hand	98,193	274,687
<b>Other Bank Balance</b>		
Unclaimed Dividend	456,770	456,770
<b>Total</b>	<b>2,986,081</b>	<b>2,621,322</b>

**ACCOMPANYING NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

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

(Amount in ₹)

(Unsecured, considered good)

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Loans and Advances</b>		
- To Others	6,857,263	5,463,461
<b>Unsecured</b>		
- To Related Parties	56,959,909	13,916,007
- To Others	133,389,390	84,171,837
<b>Other Loans and Advances</b>		
Prepaid Expenses	166,996	96,924
Staff Advance	211,973	182,279
Advance Recoverable in Cash or in Kind		
- To related party	230,000	—
- To Others	6,600,500	7,600,300
Amount Receivable against sale of Shares		
- From Related Parties	16,747,500	18,980,500
- From Others	—	100,000
<b>Total</b>	<b>221,163,531</b>	<b>130,511,308</b>

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

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Enterprise over which Relatives of Key Management Personnel are able to exercise significant influence:</b>		
New India Spinning Company	5,465,717	5,465,717
KL Venture & Enterprises	8,630,196	—
Ladderup Corporate Advisory Private Limited	—	5,908,241
<b>Associate Company</b>		
Annapurana Pet Private Limited	30,346,077	2,542,049
<b>Partnership firm in which Key Management Personnel is Partner</b>		
SGCO & Co. LLP	12,517,919	
	<b>56,959,909</b>	<b>13,916,007</b>

**ACCOMPANYING NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

Particulars	As at 31.03.2017	As at 31.03.2016
<b>Advance Recoverable in Cash or in Kind</b>		
Mr. Sunil Goyal	230,000	—
	<b>230,000</b>	<b>—</b>
<b>Amount Receivable against sale of Shares – Enterprises having same Key management personnel</b>		
Ladderup Venture LLP	16,747,500	16,747,500
<b>Key management personnel</b>		
Mr. Sunil Goyal	—	1,116,500
Mr. Manoj Singrodia	—	1,116,500
<b>Total</b>	<b>16,747,500</b>	<b>18,980,500</b>

**Note 18 : Revenue from Operations**

(Amount in ₹)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Interest income	13,461,515	7,530,099
Net Gain from Sale of Long-term Investments	136,575,680	22,876,660
Financial & Management Consultancy Fees	—	19,064,814
Brokerage & Commission and Investment Advisory Services	30,349,124	18,855,192
Dividends		
- From Non-current investment	1,062,830	1,398,235
- From Current investment	1,622,305	—
<b>Other Operating Income</b>		
Loan Processing Fees	600,000	—
<b>Total</b>	<b>183,671,453</b>	<b>69,725,000</b>

**Note 19 : Other Income**

(Amount in ₹)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Interest Received	—	91,049
Interest on Income Tax Refund	24,455	19,740
Dividend income from current investments	5,320	85,658
Short Term Capital Gain on sale of current investment	5,569	—
Profit on Sale of Fixed Assets	—	165,302
<b>Total</b>	<b>35,344</b>	<b>361,749</b>

**ACCOMPANYING NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**Note 20 : Employee Benefit Expenses**

(Amount in ₹)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Director Remuneration	12,678,397	10,906,796
Salaries, Bonus and Incentives	14,078,410	21,058,060
Contribution to Provident Fund	348,271	453,749
Staff Welfare Expenses	792,182	444,739
<b>Total</b>	<b>27,897,260</b>	<b>32,863,344</b>

**Note 21 : Finance Costs**

(Amount in ₹)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Bank Charges	10,695	20,407
Interest Expenses	8,656,609	4,620,818
Other Borrowing Cost	407,963	—
<b>Total</b>	<b>9,075,267</b>	<b>4,641,225</b>

**Note 22 : Other Expenses**

(Amount in ₹)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Rent	2,384,484	4,805,088
Communication Costs	479,912	570,037
Insurance	16,408	60,514
Stipend	157,668	165,910
Sub-commission & Brokerage	555,969	207,870
Repair & Maintenance (Others)	43,251	49,272
Electricity	243,572	472,111
Travelling & Conveyance	2,632,319	3,794,601
Professional Fees	332,218	1,728,874
Board Meeting Expenses	27,062	31,012
Printing & Stationery	184,578	275,572
Vehicle Maintenance	383,407	1,570,575
Advertising and Business Promotion	208,421	847,167
Donation	1,625,000	800,000
Payment to Auditors	50,000	50,000
Office Expenses	491,621	471,900

**ACCOMPANYING NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Loss on Sale of Fixed Assets	—	383,327
Conference & Seminar	—	91,774
Sundry Balances Written Off	2,428,641	819,468
Director Sitting Fees	150,000	180,000
Listing Fees	229,000	723,850
Securities Transaction Tax	440,712	69,772
Contingent Provision against Standard Assets	496,139	—
Miscellaneous Expenses	1,151,017	1,639,900
<b>Total</b>	<b>14,711,398</b>	<b>19,808,594</b>

**Note 23 : Earnings Per Equity Share**

(Amount in ₹)

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
<b>Basic Earnings Per Share</b>		
Profit Attributable to Equity Shareholders	131,009,662	12,031,412
Weighted Average Number of Equity Shares	12,852,600	12,852,600
<b>Basic Earnings per Share</b>	10.19	0.94
<b>Face value per Share</b>	10	10
<b>Dilutive Earnings per Share</b>		
Profit after adjusting Interest on Potential Equity Shares	131,009,662	12,031,412
Weighted Average Number of Equity Shares after Considering Potential Equity Shares	12,852,600	12,852,600
<b>Dilutive Earnings per Share</b>	10.19	0.94
<b>Face Value per Share</b>	10	10

**Note 24 : Accompanying Notes to Accounts**

**A) Contingent Liabilities & Capital Commitment**

i) Disputed Income Tax Liability amounting ₹ 11,16,826. (P.Y. ₹ 11,16,826)

**B)** In the opinion of the Board the Current Assets, Loans & Advances are realisable in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of amount reasonably necessary.

**ACCOMPANYING NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**C) Segment Reporting**

**Basis of Preparation**

In accordance with the requirements of Accounting Standard-17 “Segment Reporting”, the Company’s business can be classified into four segments namely Investment & Trading in Shares and Securities, Financial & Management Consultancy, Finance Activities and Investment Advisory Services. The information about all the segments are as below:

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
<b>Segment Revenue</b>		
Investment & Trading Activities	139,260,815	27,605,395
Consultancy Services	—	19,064,814
Finance Activities	14,186,461	9,364,564
Investment Advisory Services	30,349,124	18,855,192
<b>Total Segment Revenue</b>	<b>183,796,399</b>	<b>74,889,965</b>
Less : Inter Segment Revenue	124,946	1,834,465
Less : Elimination of profit/(loss) on sale of subsidiary	—	3,330,500
<b>Net Income from Operations</b>	<b>183,671,453</b>	<b>69,725,000</b>
<b>Segment Results</b>		
Investment & Trading Activities	138,794,465	24,187,566
Consultancy Services	—	(6,614,094)
Finance Activities	4,996,943	4,743,746
Investment Advisory Services	4,728,492	(4,410,974)
<b>Total</b>	<b>148,519,900</b>	<b>17,906,244</b>
Less: Unallocated Corporate Expenses	16,811,416	6,358,585
Add: Unallocated Income	35,344	361,749
<b>Profit Before Tax</b>	<b>131,743,828</b>	<b>11,909,408</b>
Less : Tax Expense	1,062,730	379,669
<b>Net Profit</b>	<b>130,681,098</b>	<b>11,529,739</b>

**Note :**

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

**ACCOMPANYING NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

**D) Related Party Disclosures**

**a. List of Related Parties**

(Amount in ₹)

<b>Name of the Party</b>	<b>Relationship</b>
Mr. Sunil Goyal	Managing Director
Mr. Manoj Singrodia	Director
Mr. Sanket Limbachiya	Company Secretary
Mr. Suresh Kumar Kumawat	Chief Financial Officer
Mrs. Usha Goyal	Relative of Key Management Personnel
Mrs. Santosh Singrodia	
Ladderup Foundation	A trust in which directors of Company are trustees
SGCO & Co. LLP	Partnership Firm in which Key Management Personnel is Partner
Annapurna Pet Private Limited	Associate Company
Ladderup Corporate Advisory Private Limited (after 01/10/2015)	Enterprise over which Key Management Personnel are able to exercise significant Influence
Ladderup Venture LLP	
New India Spinning Company	
K. L. Venture & Enterprises	

**b. Transactions with Related Parties:**

(Amount in ₹)

<b>Name of Party</b>	<b>Nature of Transaction</b>	<b>Year ended 31.03.2017</b>	<b>Year ended 31.03.2016</b>
Mr. Sunil Goyal	Director Remuneration	9,600,000	3,600,000
	Sale of Shares	—	1,116,500
Mr. Manoj Singrodia	Sale of Shares	—	1,116,500
Mr. Sanket Limbachiya	Salary Paid	600,004	474,224
Mr. Suresh Kumar Kumawat	Salary Paid	742,500	490,063
Ladderup Foundation	Donation Paid	1,300,000	800,000
Ladderup Venture LLP	Sale of Shares	—	16,747,500
Annapurna Pet Private Limited	Loan Granted	30,000,000	2,500,000
	Repayment of Loan Given	3,126,794	492
	Interest Income	930,822	4,918
	Investment in Equity Shares	29,600,000	6,931,000
	Investment in Preference Shares	1,380,000	30,421,000
Ladderup Corporate Advisory Private Limited	Allocation of Expenses	4,354,991	—
New India Spinning Co.	Repayment of Loan Given	—	59,271
	Interest Income	—	591,958

**ACCOMPANYING NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

Name of Party	Nature of Transaction	Year ended 31.03.2017	Year ended 31.03.2016
SGCO & Co. LLP	Loan Granted	14,500,000	—
	Repayment of Loan Given	2,557,546	—
	Interest Income	575,465	—
K. L. Venture & Enterprises	Loan Granted	10,080,000	—
	Repayment of Loan Given	2,061,133	—
	Interest Income	611,329	—

**c. Balance Outstanding of Related Parties**

(Amount in ₹)

Name of Party	Receivable/Payable	Year ended 31.03.2017	Year ended 31.03.2016
Mr. Sunil Goyal	Receivable	230,000	1,116,500
	Payable	38,307	51,207
Mr. Manoj Singrodia	Receivable	—	1,116,500
Ladderup Corporate Advisory Private Limited	Receivable	—	5,908,241
Annapurna Pet Private Limited	Receivable	30,346,077	2,542,049
Ladderup Venture LLP	Receivable	16,747,500	16,747,500
New India Spinning Company	Receivable	5,465,717	5,465,717
SGCO & Co. LLP	Receivable	12,517,919	—
K. L. Venture & Enterprises	Receivable	8,630,196	—
Mr. Suresh Kumar Kumawat	Payable	58,116	46,035
Mr. Sanket Limbachiya	Payable	45,490	37,913

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

**E) Disclosure pursuant to Accounting Standard-15 'Employee Benefits'**

(Amount in ₹)

**Actuarial Assumption:**

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Salary Growth *	6.00%	6.00%
Discount Rate	7.10%	9.10%
Withdrawal Rate	5.00%	5.00%

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

**ACCOMPANYING NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

(Amount in ₹)

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

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Present Value of Obligation as at the beginning of the year	790,251	644,399
Interest Cost	61,021	49,100
Current Service Cost	314,065	212,959
Benefits Paid	—	—
Actuarial (Gain) / Loss on Obligation	114,769	(116,207)
Closing Present Value of Obligation	1,280,106	790,251

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

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Actuarial Gain / (Loss) for the year Obligation	(114,769)	116,207
Total (Gain) / Loss for the year	136,907	59,622
Actuarial (Gain) / Loss recognised during the year	114,769	(116,207)

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

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Present Value of Obligation as at the end of the year	1,280,106	790,251
Funded Value of Assets (Unfunded)	—	—
Net Assets / (Liability) Recognised in Balance Sheet	(1,280,106)	(790,251)
- Non-Current Assets / (Liability)	(1,233,909)	(754,585)
- Current Assets / (Liability)	(46,197)	(35,666)

- (iv) The amounts recognised in the statement of profit and loss are as follows:

Particulars	Year ended 31.03.2017	Year ended 31.03.2016
Current Service Cost	314,065	212,959
Past Service Cost	—	—
Interest Cost	61,021	49,100
Expected Return on Plan Assets	—	—
Net Actuarial (Gain) / Loss recognised in the year	114,769	(116,207)
Expenses Recognised in the Statement of Profit and Loss	489,855	145,852

**ACCOMPANYING NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

Particulars	Year Ended 31.03.2017	Year Ended 31.03.2016	Year Ended 31.03.2015	Year Ended 31.03.2014	Year Ended 31.03.2013
Defined benefit obligation	(1,280,106)	(790,251)	(644,399)	(565,209)	(421,652)
Plan assets	—	—	—	—	—
Surplus/(deficit)	(1,280,106)	(790,251)	(644,399)	(565,209)	(421,652)
Experience adjustments on plan liabilities	37,209	(102,772)	(139,740)	5,749	(20,799)
Experience adjustments on plan assets	—	—	—	—	—
Actuarial gain/(loss) due to change in assumption	(40,279)	(159,864)	(36,385)	(62,414)	16,513

- F)** Details of Specified Bank Notes (SBN) and other denomination notes held and transacted during the period from November 8, 2016 to December, 30 2016 as required by the MCA notification G.S.R. 308(E) dated March 31, 2017 is as below:

(Amount in ₹)

Particulars	SBNs	Other	Total
Closing cash in hand as on 08.11.2016	220,000	21,136	241,136
(+) Permitted receipts	—	453,832	453,832
(-) Permitted payments	—	133,110	133,110
(-) Amount deposited in Banks	220,000	—	220,000
Closing cash in hand as on 30.12.2016	—	341,858	341,858

- G)** Additional information as required under schedule III of Companies Act, 2013, of enterprises consolidated as Subsidiary.

(Amount in ₹)

Name of the Enterprises	As at 31 <sup>st</sup> March, 2017		Year ended 31 <sup>st</sup> March, 2017	
	Net Assets i.e. Total assets minus total liabilities		Share in Profit or loss	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount
<b>Parent</b>				
Ladderup Finance Limited	97.71	492,919,851	93.96	123,092,469
<b>Subsidiaries</b>				
Ladderup Wealth Management Private Limited	1.38	6,952,753	3.53	4,621,141
<b>Minority Interest in all subsidiaries</b>	0.56	2,809,305	1.13	1,483,744
<b>Profit/(loss) share of Associates</b>	0.36	1,812,308	1.38	1,812,308
<b>Total</b>	<b>100</b>	<b>504,494,216</b>	<b>100</b>	<b>131,009,662</b>

**ACCOMPANYING NOTES TO THE CONSOLIDATED  
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

Name of the Enterprises	As at 31 <sup>st</sup> March, 2016		Year ended 31 <sup>st</sup> March, 2016	
	Net Assets i.e. Total assets minus total liabilities		Share in Profit or loss	
	As % of Consolidated Net Assets	Amount	As % of Consolidated Profit or Loss	Amount
<b>Parent</b>				
Ladderup Finance Limited	100.62	372,388,208	192.24	23,128,808
<b>Subsidiaries</b>				
Ladderup Corporate Advisory Private Limited	—	—	(37.97)	(4,567,912)
Ladderup Wealth Management Private Limited	1.01	3,727,851	(35.06)	(4,217,891)
<b>Minority Interest in all subsidiaries</b>	0.36	1,325,561	(11.69)	(1,406,633)
<b>Profit/(loss) share of Associates</b>	(1.99)	(7,363,103)	(7.52)	(904,960)
<b>Total</b>	<b>100.00</b>	<b>370,078,516.40</b>	<b>100.00</b>	<b>12,031,412.15</b>

- H) Estimated amount of contracts remaining to be executed on capital account not provided for (net of advances) ₹ 21,97,067/- (P.Y. ₹ Nil).
- I) Company has transferred an amount of ₹ 2,52,36,981/- (P.Y. ₹ 50,93,162/-) equivalent to 20% of the Profits after Tax of the Company to Special Reserve Account in compliance with Section 45IC of the Reserve Bank of India Act.
- J) The previous year's figures have been re-grouped/re-classified to conform to this year's classification.

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

**For Khurdia Jain & Co.**

*Chartered Accountants*

**Sampat Khurdia**

*Partner*

**Mem. No. 33615**

Place : Mumbai

Date : 29<sup>th</sup> May, 2017

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

**Sunil Goyal**

*Managing Director*

**DIN : 00503570**

**Sanket Limbachiya**

*Company Secretary*

**Mem. No. A38424**

Place : Mumbai

Date : 29<sup>th</sup> May, 2017

**Mangala R. Prabhu**

*Director*

**DIN : 06450659**

**Suresh Kumawat**

*Chief Financial Officer*

**LADDERUP FINANCE LIMITED**

**FORM AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

**I) Salient features of financial statements of Subsidiaries as per Companies Act, 2013**

**PART- A - Subsidiaries**

(Amount in ₹)

Sl. No.	Subsidiary Company	Reporting Currency	Exchange Rate	Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover (including other income)	Profit / (Loss) before taxation	"Tax Expense"	Profit / (Loss) after taxation	Proposed dividend	% of shareholding
1	Ladderup Wealth Management Private Limited	INR	-	2,000,000	6,513,046	16,389,758	7,876,713	4,810,889	30,384,468	4,638,890	142,695	4,496,195	-	67.00

**PART- B - Associate**

Sl. No.	Associate Company	Reporting Currency	Share of the Associate/Joint Ventures held by the company on the year end		Networth attributable to Shareholding as per Latest audited balance sheet		Profit / (Loss) for the year *		Description of how there is significant influence
			No. of Shares	Amount Invested	Extent of Holding %	Shareholding as per Latest audited balance sheet	Considered in consolidation	Not considered in consolidation	
1	Annapurna Pet Private Limited	INR	1,488,210	60,021,000	45.81%	40,920,696	1,812,308	3,733,855	Note 1

\* Based on unaudited financial statements.

**Notes**

- 1 There is significant influence due to percentage (%) of shareholding.

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

**Sunil Goyal**  
Managing Director  
DIN : 00503570

**Mangala R. Prabhu**  
Director  
DIN : 06450659

**Sanket Limbachiya**  
Company Secretary  
Mem. No. A38424

**Suresh Kumawat**  
Chief Financial Officer

Place : Mumbai

Date : 29<sup>th</sup> May, 2017

# LADDERUP FINANCE LIMITED

(CIN: L67120MH1993PLC074278)



**Ladderup**  
*Engineering Growth*

Dear Shareholders,

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

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

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

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

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

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

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

Date : 12<sup>th</sup> August, 2017  
Place : Mumbai  
Regd. Office : A-102, Hallmark Business Plaza,  
Opposite Guru Nanak Hospital,  
Bandra (East), Mumbai-400 051

**For Ladderup Finance Limited**

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

TEAR HERE

TEAR HERE

## REGISTRATION OF E-MAIL ADDRESS FORM

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

**Sharex Dynamic (India) Private Limited**  
**Unit 1, Luthra Industrial Premises, 1st Floor, 44 – E**  
**M. Vasanti Marg, Andheri Kurla Road,**  
**Safed Pool, Andheri (East), Mumbai – 400 072**

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

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

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

Place:

Date:

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

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

**TEAR HERE**

(For Shares in dematerialised mode)

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

TEAR HERE

**LADDERUP FINANCE LIMITED**

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

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

(CIN : L67120MH1993PLC074278)

Phone: +91-22-040336363, Fax: +91-22-040336364

**ATTENDANCE SLIP**

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

Folio No./Client ID No. ....

No. of Shares held .....

Name & Address .....

.....

Jointly with .....

Full name of the Proxy if attending meeting .....

I hereby record my presence at the 24<sup>th</sup> Annual General Meeting of the Company at Hotel Mirage, International Airport Approach Road, Marol, Andheri (East), Mumbai – 400 059 to be held on Saturday, 23<sup>rd</sup> September, 2017 at 10.30 a.m.

Signature of Member/Joint

Member/Proxy attending the meeting

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

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Phone: +91 22-040336363, Fax: +91 22-040336364

Name of the member(s):

Registered address:

e-mail ID:

Folio No/ \*Client ID:

\*DP ID:

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

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

as my / our proxy to attend and vote (on a poll) for me/us and on my / our behalf at the 24th Annual General Meeting of the company, to be held on Saturday, the 23rd day of September, 2017 at 10.30 a.m. at Hotel Mirage, International Airport Approach Road, Marol, Andheri (East), Mumbai – 400 059 and at any adjournment thereof in respect of such resolutions as are indicated below:

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

No.	Resolutions	For	Against
1.	To consider and adopt the Audited Financial Statements including Consolidated Financial Statements of the Company for the financial year ended 31 <sup>st</sup> March, 2017, the Reports of the Board of Directors and Auditors thereon.		
2.	To appoint a Director in place of Mrs. Mangala Radhakrishna Prabhu (DIN: 06450659), who retires by rotation and, being eligible, offers herself for re-appointment.		
3.	To appoint M/s. Shah Gupta & Co. Chartered Accountants, Mumbai (Firm Registration No. 109574W) in place of retiring Statutory Auditor M/s. Khurdia Jain & Co., Chartered Accountants, Mumbai, as statutory auditors of the Company to hold office from the conclusion of ensuing meeting till the conclusion of the 29 <sup>th</sup> Annual General Meeting of the Company to be held in the FY 2022-23 on such remuneration as shall be fixed by the Board of Directors.		

TEAR HERE

Affix a  
Re. 1/-  
Revenue  
Stamp

Signed this..... day of.....2017

\_\_\_\_\_  
Signature of shareholder

\_\_\_\_\_  
Signature of first proxy holder

\_\_\_\_\_  
Signature of second proxy holder

\_\_\_\_\_  
Signature of third proxy holder

#### NOTES

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. \*\*This is only optional. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
3. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
4. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

TEAR HERE



# Ladderup

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*Engineering Growth*

## REGISTERED OFFICE

102-A, 1st Floor, Hallmark Business Plaza, Gurunanak Hospital Road,  
Bandra (East), Mumbai – 400 051  
Website: [www.ladderup.com](http://www.ladderup.com) | Email: [info@ladderup.com](mailto:info@ladderup.com)  
Tel: +91 224033 6363 | Fax: 4033 6364  
CIN: L67120MH1993PLC074278