



**KINETIC  
TRUST  
LIMITED**

---

**XIXth  
Annual Report  
2010-2011**

## **BOARD OF DIRECTORS**

Vinod Bansal  
Rajesh Arora  
Ashok Juneja  
Vinay Aggarwal

Director  
Director  
Director  
Director

## **BANKERS**

State Bank of Indore

Bank of India

## **LEGAL ADVISORS**

M/s S.P. Monga & Co.  
101, Guru Chambers,  
2501/8, Beadon Pura,  
Ajmal Khan Road, Karol Bagh  
New Delhi- 110005

Pramod Verma

## **REGISTERED OFFICE**

527-R City Tower,  
IInd Floor,  
Model Town,  
Ludhiana – 141002  
TEL: 0161 5000524, 2428238  
FAX: 0161 2430029

## **CORPORATE OFFICE**

1406, Vikram Tower,  
16, Rajendra Place,  
New Delhi – 110 008.  
Tel.: 011 66402000-4  
Fax : 25860460  
Email: kintrust@gmail.com

## **SHARE TRANSFERS AND OTHER COMMUNICATIONS**

Shares Department  
M/s Link Intime Spectrum Registry Limited  
A-40, IInd Floor,  
Naraina Industrial Area, Phase-II,  
New Delhi –110 028  
Tel.: +91 9818022307  
Email: bharatb@linkintime.co.in  
Compliance Officer,  
Kinetic Trust Limited  
1406, Vikram Tower,  
16, Rajendra Place,  
New Delhi – 110 008.

## **INVESTOR'S GRIEVANCES**

Mr. Ranjan Kumar

---

---

## CONTENTS

S No.	Particulars	Page No.
1.	Notice	2
2.	Directors' Report.	3
3.	Directors' Responsibility Statement.	6
4.	Management Discussion & Analysis Report	7
5.	Auditor's Certificate on Corporate Governance	9
6.	Report on Corporate Governance	10
7.	Auditor's Report.	
8.	Financial Statements	22
	(a) Balance Sheet	26
	(b) Profit & Loss Account	27
	(c) Cash Flow Statement	28
	(d) Schedules Forming Part of Balance Sheet and Profit & Loss A/c	29
	(e) Notes To Accounts & Significant Accounting Policies	36
	(f) Abstract of Balance Sheet & Company's General Profile	40
9.	Attendance Slip & Proxy Form	41

---

## **FORWARD-LOOKING STATEMENT**

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements – written and oral – that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, although we believe we have *been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and inaccurate assumptions.* Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, our actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward looking statements, whether as a result of new information, future events or otherwise.

**NOTICE**

Notice is hereby given that Nineteenth Annual General Meeting of the Members of M/s Kinetic Trust Limited will be held as scheduled below:

**Day** : **Monday**  
**Date** : **26.09.2011**  
**Time** : **12:30 p.m.**  
**Place** : **527R, City Tower, 2nd Floor, Model Town, Ludhiana**

To transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2011 and Profit & Loss account for the year ended on that date together with the reports of the Board of Directors and Auditors thereon.
2. To appoint Directors in place of those retiring by rotation.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company.

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

**Date:** 19.08.2011  
**Place:** New Delhi

**Sd/-**  
**Vinod Bansal**  
**Director**

**NOTES**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company. Proxies in order to be effective must be received by the company not less than 48 hours before the meeting.
2. All the documents referred to in the accompanying Notice are open for inspection at the Registered Office of the company during Office hours on all working days except Sundays and Holidays between 12:30 p.m. and 1:30 p.m. up to the date of this Annual General Meeting.
3. Members desiring any information on accounts etc. are requested to write to the Company at least 10 days in advance of the Meeting so as to enable the Management to keep the information ready.
4. Members/Proxies should bring the Attendance Slip duly filled in for attending the meeting.
5. The Register of Members & Share Transfer Books will remain closed from 21st September 2011 to 24th September 2011.
6. Shareholders are requested to intimate the Company for change of address, if any, immediately for updating of records.
7. No gifts will be distributed in the Annual General Meeting.

**DIRECTOR'S REPORT**

Dear Members,  
Kinetic Trust Limited,  
Ludhiana

Your directors take great pleasure in bringing this Nineteenth Annual Report on the business and operations of the company for the Financial Year 2010-11.

**FINANCIAL RESULTS**

The financial highlights of the company in the financial year 2010-11 as compared to the previous year are tabled below for your consideration:

Amount in ` Lacs

<b>PARTICULARS</b>	<b>CURRENT YEAR</b>	<b>PREVIOUS YEAR</b>
Sales	0.00	0.00
Other Income	30.03	24.05
Profit (Loss)/before Depreciation / Amortization	8.11	6.53
Dep. / amortization etc.	0.29	0.74
Profit/(loss) before tax	7.82	5.79
Dividend	Nil	Nil

**PERFORMANCE OF THE COMPANY**

The company's main business activity is of corporate consultancy and financial services and the income from consultancy has shown a slight improvement as compared to previous year's income. The directors of the company shall continue their endeavor to further improve the trend of growth in the years to come.

**AUDITORS**

The Auditors M/s S.P. Monga & Company, Chartered Accountants retire at the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept office, if reappointed. Your directors recommend their appointment.

**DIRECTORS**

There was no change in the Directors during the year. In accordance with the provision of the Companies Act, 1956 and Articles of Association of the Company Mr. Vinay Aggarwal retires at the Nineteenth Annual General Meeting and being eligible offers himself for reappointment.

**DIRECTOR'S RESPONSIBILITY**

The directors' responsibility statement as required under section 217(2AA) of the Companies Act, 1956, reporting the compliance with the accounting standards, is attached and forms a part of the directors' report.

**REGISTRATION WITH RESERVE BANK OF INDIA AS NBFC**

The company is registered with the Reserve Bank of India as a NBFC within the provisions of the NBFC (Reserve Bank of India) Directions, 1998.

**INFORMATION PURSUANT TO THE PROVISIONS OF PARA 10 OF NON-BANKING FINANCIAL COMPANIES (RBI) DIRECTIONS, 1977**

Neither the Company has accepted any Public Deposits during the year nor the Company is holding prior Public Deposits, therefore the information called for is not applicable.

**PARTICULARS OF EMPLOYEES**

The particulars required under section 217(2A)(b)(ii) of the Companies Act, 1956 read with the companies (Particulars of the employees) Rules, 1975 as amended are not applicable as none of the employees of the company is in receipt of remuneration more than the prescribed under section 217(2A) of the companies act 1956 as amended and therefore no information in this regard is required.

**AUDITORS REPORT**

The notes referred to by the auditors in their report are self explanatory and therefore these do not call for any future comments on the Auditors Report under section 217(3) of the Companies Act, 1956.

**CORPORATE GOVERNANCE**

The company has strictly followed and practiced the well-defined Corporate Governance policies in the interest of all stakeholders. Towards this end the company has been fair, transparent, accountable and efficient at all levels.

**MANAGEMENT DISCUSSION AND ANALYSIS**

The management discussion and analysis report is attached and forms part of this report.

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

The company is a finance company, therefore the information with regard to conservation of energy, technology absorption as required by the Companies (Disclosure of particulars in the board of directors) Rules 1988 relating to conservation of energy and technological absorption do not apply and hence no disclosure is being made in this report.

**FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Particulars	Current Year (2010-2011)	Previous Year (2009-2010)
(a) Foreign Exchange Inflow	Nil	Nil
(b) Foreign Exchange Outflow	Nil	Nil

**OTHER INFORMATION**

All other information pursuant to requirements of Section 217 of the Companies Act, 1956 read with the rules is either Nil or Not Applicable.

**ACKNOWLEDGEMENTS**

We are thankful to all the shareholders for their support, faith and confidence in the company. Your directors place on record their sincere appreciation for the guidance, support and co-operation of our Auditors, the legal advisors and our bankers.

For and on behalf of the Board of Directors

Sd/-

**Vinod Bansal**

**Director**

Date: 19.08.2011

Place: New Delhi



**DIRECTOR'S RESPONSIBILITY STATEMENT**

The directors accept the responsibility for the integrity and objectivity of the Profit & Loss Account for the year ended 31st March, 2011 and the Balance Sheet as at that date ("Financial Statements") and confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed along with the proper explanations relating to material departures;
2. We have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period;
3. We have taken proper and sufficient care for the maintenance of adequate Accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the company and for maintaining and detecting fraud and other irregularities;
4. We have prepared the annual accounts on a going concern basis.

For and on behalf of the Board of Directors

Date: 19.08.2011

Place: New Delhi

**Sd/-**  
**Vinod Bansal**  
**Director**

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

2010-2011 was a year of recovery for the global economy after 2 years of financial crisis and economic downturn. The global economic outlook improved significantly and recovery progress was faster. Global economy is currently following a dual growth process. While the advanced economies are still recovering slowly, the emerging economies including India, in particular, are continuing to grow at much faster rates. According to international monetary fund report world economy is expected to grow by 4.4% for 2011 and 4.5% for 2012.

**OVERVIEW**

Uncertainty continues to cloud the shape and pace of global economic recovery. Just as the US seemed to be emerging from its worst recession since the Great Depression, Europe finds itself in the midst of a major crisis. Private spending in advanced economies continues to be constrained and inflation remains generally subdued, making it likely, that fiscal and monetary stimuli in these economies will continue for an extended period. Emerging market economies, just like India, on the other hand, seem to be significantly ahead on the recovery path, but some of the sectors of the Indian Economy are also facing inflationary pressures.

**INDIAN ECONOMY**

Indian economy, primarily driven by the strong domestic demand and healthy financial sector, has been continuing to ride on high growth path. Major macro-economic parameters, such as, industrial growth and manufacturing have remained steady. Agriculture and exports have shown good growth compared to the previous year. As per the revised estimates released by the central spastically organization, the Indian economy grew by 8.5% for financial year 2010-11 vis-à-vis 8% growth in previous year. India's economic growth projected at 8% for financial year 2012 by the RBI in its Annual statement would make India the second highest growing economy after china.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has proper and adequate systems of internal controls commensurate with its size and nature of operations that provides reasonable assurance that all assets are safeguarded, transactions are authorized, recorded and reported properly and applicable statutes and corporate policies are duly complied with. The Internal Audit function reviews the execution of all ongoing projects involving significant expenditure to ensure that project management controls are adequate.

The management reviewed the adequacy and effectiveness of the internal control environment and monitored implementation of internal audit recommendations. It was also actively engaged in overseeing financial disclosures and in reviewing your Company's risk management policies, so that vision and mission of the Company can be achieved.

**CAUTIONARY STATEMENT**

Management Discussion and Analysis detailing the Company's objectives and expectations have "forward looking statement" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied depending upon global and Indian demand-supply conditions, changes in Government regulations, tax regimes and economic developments within India and overseas. The Board of Directors presents an analysis of performance of the Company for the Year 2010-11 and its outlook for the future. This outlook is based on assessment of the current business environment and government policies. The change in future economic and other development are likely to cause variation in this outlook.

Board

For and on behalf of the

**Sd/-  
Vinod Bansal  
Director**

To

The Board of Directors  
Kinetic Trust Limited  
Ludhiana

**Re: Auditor's Certificate on Corporate Governance**

We have examined the compliance of conditions of corporate governance by Kinetic Trust Limited for the year ended 31st March 2011 as stipulated in Clause 49, of the listing agreement of the said company with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

On the basis of our review and according to the information and explanations given to us by the company, we certify that, in our opinion and to the best of our knowledge, the company has complied with the mandatory requirements as contained in the Listing Agreement with the Stock Exchanges.

We state that there are no investors grievances pending for a period exceeding one month against the company as per the records maintained by the shareholder's/ Investor's grievance committee.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

**For S.P. Monga & Co.  
Chartered Accountants**

Place: New Delhi  
Date: 19.08.2011

**Sd/-  
S P Monga  
Proprietor  
Membership No. 081562**

**REPORT ON CORPORATE GOVERNANCE**

(Forming part of Director's Report for the year ended 31<sup>st</sup> March 2011)

Corporate Governance is about commitment to values and ethical business conduct. It is also about how an organization is managed viz., its corporate and business structures, its culture, policies and the manner in which it deals with various stakeholders. Timely and accurate disclosure of information regarding the financial position of the company, its performance and ownership forms part of the corporate governance.

**COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

The company adheres to good corporate practices and is constantly striving for the betterment of the same by adopting best practices. In this pursuit, Company's philosophy is led by strong emphasis on human values, individual dignity and adherence to honest, ethical and professional conduct. The company respects the rights of its shareholders to information on the performance of the company and it is our endeavor to maximize the long-term value to the shareholders of the company. Corporate Governance in the Company has been further strengthened by adopting a Code of Conduct for Directors and Senior Management Personnel and Code of Conduct for Prevention of Insider Trading as stipulated by SEBI. The Compliance Report is prepared and given below in conformity with the mandatory requirements of the Listing Agreement with the Stock Exchanges.

**BOARD OF DIRECTORS**

Your Company believes in active and independent Board to achieve and maintain the desired level of Corporate Governance. The Board approves and reviews strategy and is responsible for the establishment of ethical and accountable growth of the Company.

The composition of Board of Directors as on 31<sup>st</sup> March 2011 is as follows:

Category	No. of Directors	%
Promoters/ Executive Directors	2	50%
Non-executive Directors	2	50%

- Four board meetings were held during the year. The dates on which the meetings were held are as follows:  
29<sup>th</sup> June 2010, 14<sup>th</sup> August 2010, 30<sup>th</sup> October 2010 and 29<sup>th</sup> January 2011.
- The attendance of directors at Board Meetings and at the last Annual General Meeting and the number of other directorships and committee memberships in public companies (being a director as on the date of Director's Report) is given below:

<b>Name of Director</b>	<b>Category of Directorships</b>	<b>No. of Board Meetings attended</b>	<b>Last AGM attended</b>	<b>No. of other Directorships held in public companies</b>	<b>No. of other committee Memberships</b>
Vinod Bansal	Promoter/ Executive	4	Yes	-	Nil
Rajesh Arora	Promoter/ Executive	4	Yes	-	Nil
Ashok Juneja	Non Executive	4	Yes	3	Nil
Vinay Aggarwal	Non Executive	4	Yes	-	Nil

**AUDIT COMMITTEE**

The provisions of Section 292A of the Companies Act are not applicable.

**REMUNERATION TO DIRECTORS**

The Directors are not paid any remuneration.

**SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE**

The role of the committee includes formulation of shareholders servicing plans and policies, consideration/approval of valid share transfer requests, share transmissions, issue of duplicate share certificates, issue of share certificates for split, dematerialization, consolidation of shares etc., monitoring and reviewing the mechanism of share transfers and dematerialization of shares, payment of dividends etc. and looking into the redressing of shareholders grievances and determining, monitoring and reviewing the standards for resolution of shareholder's grievances.

The company attends the shareholders/investors grievances/ correspondence expeditiously. No share transfers were pending as on 31.03.2011.

**GENERAL BODY MEETING**

The last three Annual General Meetings were held at 527R, City Tower, Model Town, Ludhiana. No special resolutions were put through postal ballot last year.

**POSTAL BALLOT**

During the year ended 31<sup>st</sup> March 2011, no resolutions have been passed through postal ballot process.

**COMPLIANCE REPORT**

The board periodically reviews the compliance of all applicable laws and gives appropriate directions, whenever necessary.

**SECRETARIAL AUDIT**

The company is in the practice of conducting periodical secretarial audit by an independent practicing company secretary. In respect of the year ended 31<sup>st</sup> March 2011, M/s Naresh Gupta & Associates, practicing company secretary has conducted the secretarial audit and the report has been reviewed by the board.

**CODE OF CONDUCT**

The Board has laid down a Code of Conduct which is applicable to all its Directors and other Management Personnel of the Company.

**RISK MANAGEMENT**

The company has laid down procedures to inform board members about the risk assessment and minimization procedures. The board annually discusses the significant business risks identified by the management and the mitigation process being taken up. Further, a risk management committee comprising senior management is in place for review of risk management on a periodical basis, the summary of decisions of which shall be reviewed by the business committee on a periodical basis. A detailed note on the risk identification and mitigation is included in management discussion & analysis, annexed to the director's report.

**CEO/ CFO CERTIFICATION**

As required by Clause 49 of the Listing Agreement, the Certificate duly signed by the Director and the Head Finance and Accounts of the Company, was placed before the Board of Directors at its meeting held on 19<sup>th</sup> August 2011. The same is being included in this annual report.

**DISCLOSURE**

The company has not entered into any transaction of material nature with the promoters, the Directors or the management, their subsidiaries or relatives, etc., that may have any potential conflict with the interests of the company.

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. There were no penalties imposed nor any strictures passed on the company by the stock exchanges, SEBI or any other statutory authority relating to the above.

**MEANS OF COMMUNICATION**

The un-audited quarterly results are published in the newspapers and are not being sent to each household of shareholders.

The results are usually published in the following newspapers:

1. The Pioneer
2. Veer Arjun

The Limited Review Reports of the financial results for the respective quarters were obtained from the statutory Auditors of the Company and also filed with the Stock Exchange(s).

**MANAGEMENT DISCUSSION AND ANALYSIS**

A management discussion and analysis forms part of the annual report.

**GENERAL SHAREHOLDER INFORMATION**

A separate section on the above has been included in the annual report.

**For and on behalf of the Board**

Date: 19<sup>th</sup> August 2011  
Place: New Delhi

**Sd/-  
Vinod Bansal  
Director**



**DECLARATION OF CODE OF CONDUCT**

This is to confirm that the board has laid down a Code of Conduct for all board members and senior management of the company. It is further confirmed that all directors and senior management personnel of the company have affirmed compliance with the Code of Conduct of the company for the year ended 31st March, 2011, as envisaged in clause 49 of the Listing Agreement with stock exchanges.

For and on behalf of the Board

Date: 19<sup>th</sup> August 2011  
Place: New Delhi

**Sd/-**  
**Vinod Bansal**  
**Director**

**CEO/CFO CERTIFICATION****(Under Clause 49 (v) of Listing Agreement)****I certify that:-**

- a) I have reviewed the financial statements and the cash flow statement for the year 2010-2011 and that to the best of my knowledge and belief:
- These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - These statements together present a true and fair view of the Bank's affairs and are in compliance with existing accounting standards, applicable laws and regulations;
- b) There are, to the best of my knowledge and belief, no transactions entered into by the Bank during the year 2010-2011 which are fraudulent, illegal or violative of the Bank's code of conduct;
- c) I accept responsibility for establishing and maintaining internal controls and that I have evaluated the effectiveness of the internal control systems of the Bank and I have disclosed to the auditors, deficiencies in the design or operation of the internal control, if any, of which I am aware of and the steps I have taken or propose to take to rectify these deficiencies.
- d) I have indicated to the Auditors:
- Significant changes in internal control over the financial reporting during the year 2010-2011;
  - Significant changes in accounting policies during the year 2010-2011 and that the same have been disclosed in notes to the financial statements; and
  - There are no instances of significant fraud of which I have become aware and the involvement therein of the management or an employee having a significant role in the Bank's internal control system over the financial reporting

**For Kinetic Trust Limited**  
**Sd/**  
**Head (F&A)**

**GENERAL SHAREHOLDER INFORMATION****(a) Forthcoming Annual general Meeting: Date, Time & Venue**

The 19<sup>th</sup> Annual General Meeting of the Company is scheduled to be held on Monday, the 26<sup>th</sup> day of September, 2011 at 12:30 p.m. at 527R, City Tower, Model Town, Ludhiana

**(b) Financial Year**

The Company's financial year is from 1<sup>st</sup> April to 31<sup>st</sup> March.

**(c) Date of Book Closure & Dividend payment Date**

The Book Closure will be from 21<sup>st</sup> September 2011 and 24<sup>th</sup> September 2011 (both days inclusive). The company has not declared any dividend.

**(d) Listing on Stock Exchange**

The Equity shares of the Company are listed on:

- Ludhiana Stock Exchange Ltd.
- Bombay Stock Exchange Ltd.
- Delhi Stock Exchange Ltd.

**(e) Registrar and Transfer Agents**

M/s Link Intime Spectrum Registry Limited

A-40, IInd Floor

Naraina Industrial Area Phase-II

New Delhi-110028

Tel.: +91 9818022307

Email: bharatb@linkintime.co.in

**(f) Share Transfer System**

The transfers and transmissions are done by the Registrar and Share Transfer Agent of the Company viz; M/s Link Intime Spectrum Registry Ltd. The Company obtains half yearly certificate from a Company Secretary in practice of compliance with the share transfer formalities as required under Clause 47 (c) of the Listing Agreement with the stock exchanges and files a copy of the certificate with the Stock Exchanges, from time to time.

**(g) Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely impact on equity**

**h. Shareholding Pattern as on 31st March 2011**

Category code	Category of Shareholder	Number of Shareholders	Total number of shares	Number of shares held in dematerialized form	Total shareholding as a percentage of total number of shares	
					As a percentage of(A+B) <sup>1</sup>	As a percentage of (A+B+C)
<b>(A.) Shareholding of Promoter and Promoter Group</b>						
<b>1</b>	<b>Indian</b>					
(a)	Individuals/ Hindu Undivided Family	9	314,000	0	9.35	9.35
(b)	Central Government/ State Government(s)	0	0	0	0.00	0.00
(c)	Bodies Corporate	9	2,086,000	0	62.08	62.08
(d)	Financial Institutions/ Banks	0	0	0	0.00	0.00
(e)	Any Others(Specify)	0	0	0	0.00	0.00
	<b>Sub Total(A)(1)</b>	<b>18</b>	<b>2,400,000</b>	<b>0</b>	<b>71.43</b>	<b>71.43</b>
<b>2</b>	<b>Foreign</b>					
	A Individuals (Non-Residents Individuals/Foreign Individuals)	0	0	0	0.00	0.00
B	Bodies Corporate	0	0	0	0.00	0.00
C	Institutions	0	0	0	0.00	0.00
D	Any Others(Specify)	0	0	0	0.00	0.00
	<b>Sub Total(A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>		<b>18</b>	<b>2,400,000</b>	<b>0</b>	<b>71.43</b>	<b>71.43</b>
<b>(B) Public shareholding</b>						
<b>1</b>	<b>Institutions</b>					
(a)	Mutual Funds/ UTI	0	0	0	0.00	0.00
(b)	Financial Institutions / Banks	0	0	0	0.00	0.00
(c)	Central Government/ State Government(s)	0	0	0	0.00	0.00
(d)	Venture Capital Funds	0	0	0	0.00	0.00
(e)	Insurance Companies	0	0	0	0.00	0.00
(f)	Foreign Institutional Investors	0	0	0	0.00	0.00
(g)	Foreign Venture	0	0	0	0.00	0.00

(f)	Foreign Institutional Investors	0	0	0	0.00	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0.00	0.00
(h)	Any Other (specify)	0	0	0	0.00	0.00
<b>Sub-Total (B)(1)</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
<b>B 2</b>	<b>Non-institutions</b>					
(a)	Bodies					
	Corporate	16	74,900	0	2.23	2.23
(b)	Individuals					
	Individuals -i. Individual shareholders holding nominal share capital up to Rs 1 lakh	856	515450	0	15.34	15.34
	II ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	12	369,650	0	11.00	11.00
(c)	Any Other (specify)	0	0	0		
<b>Sub-Total (B)(2)</b>		<b>884</b>	<b>960,000</b>	<b>0</b>	<b>28.57</b>	<b>28.57</b>
<b>(B) Total Public Shareholding (B) = (B)(1)+(B)(2)</b>		<b>884</b>	<b>960,000</b>	<b>0</b>	<b>28.57</b>	<b>28.57</b>
<b>TOTAL (A)+(B)</b>		<b>902</b>	<b>3,360,000</b>	<b>0</b>	<b>100</b>	<b>100</b>
<b>(C) Shares held by Custodians and against which Depository Receipts have been issued</b>		<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>GRAND TOTAL (A)+(B)+(C)</b>		<b>902</b>	<b>3,360,000</b>	<b>0.00</b>	<b>100</b>	<b>100</b>

**(i) Dematerialization of Shares**

The company is in the process of getting connectivity with NSDL and CDSL for dematerialization of the shares of the company.

**(ii) Address for Correspondence**

(1) All work related to Shares Registry, both in physical and electronic form, is handled by the Company's Registrar & Transfer Agent at the following address:

M/s Link Intime Spectrum Registry Limited  
 A-40, IIInd Floor Naraina Industrial Area Phase-II  
 New Delhi-110028

(ii) Mr. Ranjan Kumar is the Compliance Officer of the Company and Investors' complaint may also be addressed to him at the following address:

M/s Kinetic Trust Limited  
1406, Vikram Tower,  
16, Rajendra Place,  
New Delhi – 110008.

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

I, Vinod Bansal, Director of Kinetic Trust limited do hereby confirm that as per the requirement of Clause 49 of the Listing Agreement with the Stock Exchange, the Company has laid down a Code of Conduct for its Board of Directors and Senior Management.

I further certify that all the Directors and Senior Management of the Company have affirmed compliance with "Kinetic Trust Ltd. Code of Conduct" for the financial year ended March 31, 2011

For and on behalf of the Board

Sd/-

**Vinod Bansal**  
**Director**

Date: 19<sup>th</sup> August 2011

Place: New Delhi

**OTHER REQUIREMENTS UNDER CLAUSE 49 OF THE LISTING AGREEMENT****(a) Non-Executive Chairman's Office & Tenure of Independent Directors**

The Chairman of the Board and all Independent Directors are appointed/re-appointed in accordance with guidelines determined by the Board from time to time. No maximum tenure has been specifically determined for the Independent Directors. The Board of Directors elects Non Executive Chairman among them for every meeting. Hence the provision of Non Executive Director's office is not applicable to the Company.

**(b) Remuneration Committee**

The Company has not formed Remuneration Committee.

**(c) Shareholders' Rights**

The Quarterly, Half-Yearly and Annual Financial Results of the Company are published in English language in newspapers having nation-wide circulation and also in regional language newspaper of the region where registered office of the Company is situated.

**(d) Audit Qualification**

As mentioned in Directors' Report.

**(e) Training of Board Members**

The Board of Directors of the Company is continuously briefed with the developments and performance of the Company so as to enable them to monitor the same at regular intervals. Reports on risk assessment and minimization process and new initiatives proposed by the Company are also presented to them for suggestions and up gradation.

**(f) Mechanism of evaluation of Non-Executive Directors**

The Board of Directors including Non-Executive Directors are shouldered with the responsibility of strategic supervision of the Company. In view of the same, the Board evaluates its Non-Executive Directors on the basis of individual contribution towards fulfillment of this responsibility.

**(g) Whistle-Blower Policy**

The Company intends to promote a policy for employees to have an open access to the respective Functional Heads, Chief Executives and/or Managing Director so as to ensure ethical and fair conduct of the business of the Company.

**For & on behalf of the Board of Director**

**Sd/-**

**Sd/-**

Place: New Delhi

**Vinod Bansal**

**Rajesh Arora**

Date: 19<sup>th</sup> August 2011

**Director**

**Director**



**AUDITORS' REPORT**

To

The Members of  
**KINETIC TRUST LIMITED**

1. We have audited the attached Balance Sheet of **KINETIC TRUST LIMITED** as at 31<sup>st</sup> March 2011 and also the Profit & Loss account and the Cash Flow Statement of the company for the period ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by the companies (Auditor's Report) (Amendment) order 2004 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we further report that:
  - (i)
    - (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
    - (b) The fixed assets are physically verified by the management according to a phased programme designed to cover all the items, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the programme, all fixed assets have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed.
  - (ii) The company does not have any inventory during the year.
  - (iii)
    - (a) The company has not granted any secured or unsecured loans to company, firm and other parties covered in the register maintained under section 301 of the Companies Act, 1956.
    - (b) The company has not taken any loans secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.

- (iv) In our opinion and according to the information and explanations given to us, having regard to the explanation there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the services, expenses and fixed assets. Further, on the basis of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weakness in the aforesaid internal control procedures.
- (v) (a) In our opinion and according to the information and explanations given to us, the transactions that need to be entered into the register in pursuance of section 301 of the Companies Act, 1956, have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the company has not made any transactions in pursuance of contracts or arrangements entered into the register in pursuance of Section 301 of the Companies Act, 1956 and exceeding the value of five lakh rupees in respect of any party during the year.
- (vi) The company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 for any of the Non Banking Finance Company.
- (ix) (a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including income tax and other material statutory dues as applicable with appropriate authorities.
- (b) According to the information and explanations given to us and the records of the company examined by us, in our opinion, no undisputed amount payable in respect of income tax and other taxes were in arrears, as at 31.03.2011 for a period of more than six months from the date they became payable.
- (c) According to the information and explanations given to us, and the records of the company examined by us, there are no dues of income tax and other taxes, which have not been deposited on account of any dispute.
- (x) The company has no accumulated losses as at 31.03.2011 and it has not incurred cash loss during the financial year ended on that date.

- (xi) According to the records of the company examined by us and the information and explanations given by the management, we are of the opinion that the company has not taken or accepted any loans from financial institution or bank during the year. The default in repayment of dues to a financial institution and bank are not applicable to the company. The company has not issued any debentures.
- (xii) Based on our examination of documents and records, we are of the opinion that the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/ societies are not applicable to company.
- (xiv) The company has maintained proper records of securities, which it has traded in and also in respect of shares, held as investments and the said investments are in the name of the company.
- (xv) in our opinion and according to the information and explanations given to us and based on our examination of documents and records, the company has not given any guarantee for loans taken by others from bank or financial institutions during the year.
- (xvi) In our opinion and according to the information and explanations given to us and based on our examination of documents and records, the company has not taken any term loan during the year.
- (xvii) On the basis of an overall examination of the balance sheet of the company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis, which have been used for long-term investment.
- (xviii) The company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act during the year.
- (xix) The company has not issued any debenture during the year.
- (xx) The company has not raised any money by public issue during the year.
- (xxi) During the course of our examination of the books and records of the company carried out in accordance with the generally accepted auditing practice in India and according to the information and explanations given to us, no fraud (i.e. intentional material misstatement resultant from fraudulent financial reporting and misappropriation of assets) on or by the company has been noticed or reported during the year by the company.

1. Further to our comments in paragraph 3 above, we report that:
- (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our Audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of such books.
  - (c) The Balance Sheet and Profit and Loss Account dealt with this report are in agreement with the books of accounts.
  - (d) In our opinion, the Balance Sheet and Profit and Loss account dealt with this report comply with the accounting standards referred to in Sub-section (3C) of section 211 of the Companies Act, 1956.
  - (e) On the basis of written representations received from the directors, as on 31<sup>st</sup> March 2011, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March 2011 from being appointed as director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
  - (f) In our opinion and to the best of our information and according to the explanation given to us, the said financial statements together with the notes thereon and attached thereto give in the prescribed manner the information required by the Companies Act 1956 and give a true and fair view in conformity with the accounting principles generally accepted in India:-
    - I) In case of the Balance Sheet of the state of affairs of the company as at 31<sup>st</sup> March 2011
    - ii) In case of Profit and Loss Accounts, of the profit of the company for the year ended on that date and
    - iii) In case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**For S.P. Monga & Co.**  
**CHARTERED ACCOUNTANTS**  
Sd/-

**S.P. Monga**

**PROPRIETOR**  
**Membership No.: 081562**

Place: New Delhi  
Date: 19<sup>th</sup> August 2011

**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2011**

Particulars		Schedule	AS AT 31.03.2011		AS AT 31.03.2010	
<b>I. SOURCES OF FUNDS</b>						
1	a. Share Capital	A	33,600,000		33,600,000	
	b. Reserves & Surplus	B	<u>129,200</u>	33,729,200	<u>129,200</u>	33,729,200
2	Loans Funds :					
	a. Secured Loans		<u>0</u>		<u>0</u>	
	b. Unsecured Loans		<u>0</u>	0	<u>0</u>	0
3	Deferred Tax Liability	C		84,302		81,859
4	Profit & Loss Account	B		<u>793101</u>		<u>4,55,125</u>
	<b>Total</b>			<u><u>34,606,603</u></u>		<u><u>34,266,184</u></u>
<b>II. APPLICATION OF FUNDS</b>						
1	Fixed Assets:	D				
	a. Gross Block		4,716,361		4,716,361	
	b. Less Depreciation		<u>1,943,780</u>	2,772,581	<u>1,914,462</u>	2,801,899
2	Investments	E		21,030,000		10,530,000
3	Current Assets, Loans & Advances	F				
	a. Sundry Debtors		5,178,448		14,487,667	
	b. Cash & Bank Balances		88,876		91,273	
	c. Loans & Advances		8,416,835		8,054,634	
	d. Other Assets		<u>449,411</u>		<u>670,137</u>	
			<u>14,133,570</u>		<u>23,303,711</u>	
	Less : Current Liabilities & Provisions	G				
	a. Current Liabilities		3,090,376		2,332,201	
	b. Provisions		<u>239,172</u>		<u>37,224</u>	
			<u>3,329,548</u>		<u>2,369,425</u>	
	Net Current assets			108,044,022		20,934,285
4	Deferred Tax Assets			0		0
5	Profit & Loss Account			<u>0</u>		<u>0</u>
	<b>Total</b>			<u><u>34,606,603</u></u>		<u><u>34,266,184</u></u>

Notes forming part of the Accounts K

**AUDITORS REPORT**

"As per our report of even date attached"

**For S.P Monga & Company**

Chartered Accountants

Sd/-

S.P. Monga

Proprietor

Place: New Delhi

Date: 19<sup>TH</sup> August 2011

Sd/-

Vinod Bansal

Director

Sd/-

Rajesh Arora

Director

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2011**

PARTICULARS	SCHEDULE	2010-2011	2009-2010
<b>I. INCOME</b>			
Income	H	3,002,851	2,405,167
		<b>3,002,851</b>	<b>2,405,167</b>
<b>II. EXPENDITURE</b>			
Administrative Expenses	I	2,190,386	1,751,050
Financial Expenses	J	1,226	1,295
		<b>2,191,612</b>	<b>1,752,345</b>
<b>Profit before depreciation &amp; amortization</b>		<b>811,239</b>	<b>652,822</b>
Less : Depreciation		29,318	73,956
Amortised Expenses W/off		0	0
<b>Profit Before Tax</b>		<b>781,921</b>	<b>578,866</b>
<b>Less : Provision for taxes</b>			
- Income Tax for previous years		202,330	0
- Income Tax for 2010-2011		239,172	0
- Deferred Tax		2,443	(9,786)
<b>Profit after tax</b>		<b>337,976</b>	<b>588,652</b>
Add : Balance B/f			
Less : Income Tax & FBT for earlier years		0	0
<b>Amount available for appropriation</b>		<b>337,976</b>	<b>588,652</b>
<b>III. APPROPRIATIONS</b>			
Profit Transfer to Gen Reserve		0	0
Balance carried to Balance Sheet		337,976	588,652
		<b>337,976</b>	<b>588,652</b>

**AUDITORS REPORT**

"As per our report of even date attached"

**For S.P. Monga & Company**

**Chartered Accountants**

**Sd/-**

**S.P. Monga**

**Proprietor**

**Place: New Delhi**

**Date : 19<sup>TH</sup> August 2011**

**Sd/-**

**Vinod Bansal**  
**Director**

**Sd/-**

**Rajesh Arora**  
**Director**

**CASH FLOW STATEMENTS**

PARTICULARS	Year Ended 31.03.2011	Year Ended 31.03.2010
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before Tax and Extraordinary Items	781,921	578,866
Adjustments for :		
Depreciation	29,318	73,956
Provision for Bad Debts	0	0
Interest Income	(440,096)	(389,167)
<b>Operating profit before Working Capital Changes</b>	<b>371,143</b>	<b>263,655</b>
Adjustments for :		
Trade and other Receivables	9,167,744	(2,592,097)
Current Liabilities	960,123	277,522
<b>Cash Generated from Operations</b>	<b>10,499,010</b>	<b>(2,050,920)</b>
Direct Taxes paid for A. Yr-2010-11	202,330	0
Direct Taxes paid for A. Yr-2011-12	239,172	0
<b>Net Cash from Operating Activities</b>	<b>(1) 10,057,508</b>	<b>(20,50,920)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	-	-
Sale of Fixed Assets	-	-
Purchase of Investments	(10,500,000)	1,500,000
Sale of Investments	-	-
Interest Received	440,096	389,167
<b>Net Cash from Investing Activities</b>	<b>(2) (10,059,904)</b>	<b>1,889,167</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Repayment of Finance, Lease Liabilities	-	-
Unsecured Loan	-	-
Provision for Bad Debts	-	-
<b>Net Cash from Financing Activities</b>	<b>(3) -</b>	<b>-</b>
Net Increase / Decrease in Cash and Cash Equivalents	(1+2+3)	(161,753)
Cash and Cash Equivalents as at 1st April, 2010	91,272	253,025
Cash and Cash Equivalents as at 31st March, 2011	88,876	91,272
Closing Balance as per Balance Sheet	88,876	91,272

Figures in brackets represents outflows

**AUDITORS REPORT**

"As per our report of even date attached"

For S.P.Monga & Company

Chartered Accountants

Sd/-

S.P. Monga

Proprietor

New Delhi

19<sup>th</sup> August 2011

Sd/-  
Vinod Bansal  
Director

Sd/-  
Rajesh Arora  
Director

**SCHEDULES FORMING PART OF BALANCE SHEET AND PROFIT & LOSS ACCOUNT**

<u>SHARE CAPITAL</u>		SCHEDULE- A	
<u>Particulars</u>	<u>31.03.2011</u>	<u>31.03.2010</u>	
<b>AUTHORISED SHARE CAPITAL</b>			
3500000 Equity Shares of Rs. 10/- each	35,000,000.00	35,000,000.00	
<b>ISSUED, SUBSCRIBED &amp; PAID UP CAPITAL</b>			
33,60,000 Equity shares of Rs. 10/- each fully paid up	33,600,000.00	33,600,000.00	
<b>Total Rs.</b>	<b>33,600,000.00</b>	<b>33,600,000.00</b>	
<u>RESERVES &amp; SURPLUS</u>		SCHEDULE- B	
<u>Particulars</u>	<u>31.03.2010</u>	<u>31.03.2009</u>	
<b>REVALUATION RESERVE :</b>	129,200.00	129,200.00	
Revaluation of office premises at 1406, Vikram Tower, Rajendra Place, New Delhi			
<b>Sub Total (Rs.)</b>	<b>129,200.00</b>	<b>129,200.00</b>	
<b>Profit &amp; Loss Account</b>			
Opening Balance	45,5125	(133,527)	
Add: Transferred from Profit & Loss A/C	337,976	5,88,652	
<b>Sub Total (Rs.)</b>	<b>793,101</b>	<b>455,125</b>	
<b>Total Rs.</b>	<b>922,301</b>	<b>5,84,325</b>	
<u>DEFERRED TAX</u>		SCHEDULE- C	
<u>Particulars</u>	<u>31.03.2011</u>	<u>31.03.2010</u>	
Deferred Tax Liabilities	81,859	91,645.00	
Deferred Tax Assets	(2,443)	9,786	
<b>Total Rs.</b>	<b>84,302</b>	<b>81,859</b>	



## KINETIC TRUST LIMITED

## SCHEDULE OF FIXED ASSETS AS AT 31.03.2010

Particulars	Rate Of Dep.	Cost As On 1.4.2010	Addition During the Year	Sale During the Year	Total As On 31.03.2011	Depreciation Upto 01.04.2010	Depreciation For the period	Adjustment on sale of asset	Total Depreciation 31.03.2011	WDV as on 31.03.2011	WDV as on 31.03.2010
Office Building 1406 Vikram Tower Rejendra Place		2,868,250	-	-	2,868,250	179,935	10,697	-	190,632	2,677,618	2,688,315
Plant & Machinery - Others	4.75%	366,320	-	-	366,320	253,957	17,400	-	271,357	94,963	112,363
Furniture & Fixture	6.33%	724,468	-	-	724,468	723,247	1,221	-	724,468	0	1,221
Vehicles	9.75%	757,323	-	-	757,323	757,323	0	-	757,323	-	-
		4,716,361	-	-	4,716,361	1,914,462	29,318	-	1,943,780	2,772,581	2,801,899

**INVESTMENTS**
**SCHEDULE- E**

<u>Particulars</u>	<u>Qty.</u>	<u>31.03.2011</u>	<u>Qty.</u>	<u>31.03.2010</u>
<b><u>INVESTMENT IN UNQUOTED SHARES</u></b>				
Chilka Fin Trade Pvt. Ltd.	100,000	1,000,000	100,000	1,000,000
Vishambhar Sahai Pvt. Ltd.	30,000	1,100,000	30,000	1,100,000
Hartron Technologies Pvt. Ltd.	0	0		0
<b>Sub Total</b>	<b>130,000</b>	<b>2,100,000</b>	<b>130,000</b>	<b>2,100,000</b>
<b><u>INVESTMENT PENDING FOR ALLOTMENT</u></b>				
Vishamber Sahai Financiers Pvt. Ltd.		7,750,000		7,750,000
Chilka Fin Trade Pvt. Ltd.		680,000		680,000
Sanksons Papers Pvt.Ltd.		4,700,000		0
Rector Finlease Private Ltd.		5,800,000		
<b>Sub Total</b>		<b>18,930,000</b>		<b>8,430,000</b>
<b>TOTAL</b>	<b>130,000</b>	<b>21,030,000</b>	<b>130,000</b>	<b>10,530,000</b>

CURRENT ASSETS, LOANS & ADVANCES		SCHEDULE- F	
Particulars	31.03.2011	31.03.2010	
<b>SUNDRY DEBTORS</b>			
Debts outstanding for a period exceeding six months	5,174,800	14,484,019.00	
less than six months	-		
Other debts	3,648	3,648	
<b>Sub Total (Rs.)</b>	<b>5,178,448</b>	<b>14,487,667</b>	
<b>CASH &amp; BANK BALANCES</b>			
Cash in Hand	76,532	68,937	
Cash at Bank	12,344	22,337	
<b>Sub Total (Rs.)</b>	<b>88,876</b>	<b>91,273</b>	
<b>LOANS &amp; ADVANCES</b>	<b>8,416,835</b>	<b>8,054,634</b>	
<b>OTHER ASSETS</b>	<b>449,411</b>	<b>670,137</b>	
<b>TOTAL (Rs.)</b>	<b>14,133,570</b>	<b>23,303,711</b>	

CURRENT LIABILITIES & PROVISIONS		SCHEDULE-G	
Particulars	31.03.2011	31.03.2010	
State Bank of Indore	152,689	-	
<b>CURRENT LIABILITIES</b>			
Sundry Creditors	1,486,656	1,432,260	
Expenses Payable	601,031	549,941	
Advances - ESCROW	350,000	350,000	
Advance against property	500,000	-	
<b>Sub Total (Rs.)</b>	<b>,2937,687</b>	<b>2,332,201</b>	
<b>PROVISIONS</b>			
Provision for Taxation	239,172	37,224	
<b>Sub Total (Rs.)</b>	<b>239,172</b>	<b>37,224</b>	
<b>TOTAL (Rs.)</b>	<b>3,329,548</b>	<b>2,369,425</b>	

**DETAIL OF CURRENT ASSETS AS AT 31.03.2011**

<b>Particulars</b>	<b>31.03.2011</b>	<b>31.03.2010</b>
<b>DEBTORS OUTSTANDING FOR A PERIOD EXCEEDING SIX MONTHS</b>		
Arora & Bansal	0	2,327,969
Exalt Fin Cap Limited	4,314,750	11,296,000
Kinsoft Solutions Pvt Ltd	10,050	10,050
Vishamber Sahai Fin P Ltd	850,000	850,000
<b>Sub Total (Rs.)</b>	<b>5174800</b>	<b>14,484,019</b>
<b><u>OTHER DEBTORS</u></b>		
Matrix Processing House	3,648	3,648
<b>Sub Total (Rs.)</b>	<b>3,648</b>	<b>3,648</b>
<b><u>BANK BALANCES</u></b>		
Bank of India	12,344	9,896
State Bank of Indore	-	12,441
<b>Sub Total (Rs.)</b>	<b>12,344</b>	<b>22,337</b>
<b><u>LOANS &amp; ADVANCES</u></b>		
Hindson Warehousing	2,591,258	7,277,920
Kinsoft Solutions (P) Ltd.	33,000	33,000
Santosh Kumar Diwedi	50,000	50,000
Vinay Pal Jain	728,400	693,714
Hindustan Rasayan (P) Ltd.	5,014,177	0
<b>Sub Total (Rs.)</b>	<b>8,416,835</b>	<b>8,054,634</b>
<b><u>OTHER ASSETS</u></b>		
D. E. S. U.	3,000	3,000
Income Tax Refundable (2006-07)	-	100,677
T.D.S. (2007-08)	65,437	65,437
T.D.S (2008-09)	-	232,503
T.D.S (2009-10)	79,863	268,520
T.D.S. (2010-2011)	301,111	0
<b>Sub Total (Rs.)</b>	<b>449,411</b>	<b>670,137</b>
<b>TOTAL (Rs.)</b>	<b>14,057,037</b>	<b>23,234,774</b>

DETAIL OF CURRENT LIABILITIES AS AT 31.03.2011

Particulars	31.03.2011	31.03.2010
<b>Sundry Creditors</b>		
Matrix Processing House	839,630	839,630
Intime Spectrum Registry Ltd.	33,399	50,254
Vikram Tower Maintenance Group	599,076	542,376
Arora & Bansal	<b>14,551</b>	-
<b>Sub Total (Rs.)</b>	<b>1,486,656</b>	<b>1,432,260</b>
Advance against Property		
Arora & Bansal	500,000	-
Advances- ESCROW	350,000	350,000
State Bank of Indore	152,689	-
<b>Expenses Payable</b>		
Audit Remuneration Payable	76,339	77,794
Directors Sitting Fee Payable	42,000	36,000
Electricity Exp. Payable	4,330	4,850
Professional Charge Payable	32,600	44,600
Salary payable	55,050	31,300
Bonus Payable	54,500	-
Jay Ess Worlds Travels	328,562	310,397
Office Maintenance Payable	-	20,000
Printing & Stationary	7,650	25,000
<b>Sub Total (Rs.)</b>	<b>601,031</b>	<b>549,941</b>
<b>TOTAL (Rs.)</b>	<b>3,090,376</b>	<b>1,982,201</b>

INCOME	SCHEDULE- H	
Particulars	31.03.2011	31.03.2010
Business Income	2,529,500	2,016,000
Interest Income	440,096	389,167
Misc. Income	33,255	0
<b>TOTAL (Rs.)</b>	<b>3,002,851</b>	<b>2,405,167</b>

<b>ADMINISTRATIVE EXPENSES</b>		<b>SCHEDULE- I</b>	
<b>Particulars</b>	<b>31.03.2011</b>	<b>31.03.2010</b>	
Advertisement	16,016	5,328	
Auditor remuneration	16,545	16,545	
Business Promotion	66,447	56,431	
Bonus	54,500	0	
Car Repair Expenses & Running Exp.	8,310	8,100	
Conveyance Expenses	34,866	15,426	
Director Sitting Fee	6,000	6,000	
Diwali expenses	42,652	0	
Electricity Expense	77,230	72,760	
Filing Expenses	22,690	0	
Generator Charges	14,400	14,400	
Insurance Expenses	-	3,988	
Listing Fees	33,312	30,627	
Miscellaneous Expenses	66,034	56,613	
Newspapers, Books & Periodicals	29,379	31,373	
Office Maintenance	97,300	62,900	
Oil & Fuel expenses	96,619	94,086	
Postage & Telegram	33,203	32,766	
Printing & Stationery Expenses	98,434	97,857	
Property Tax	22,314	14,079	
Professional Charges	36,045	35,546	
Repair & Maintenance	26,365	25,123	
Salary	818,267	558,000	
Staff Welfare	86,814	73,974	
Telephone Expense	28,082	25,200	
Traveling Expenses (Local)	358,562	413,928	
<b>TOTAL (Rs.)</b>	<b>2,190,386</b>	<b>1,751,050.00</b>	

<b>FINANCIAL EXPENSES</b>		<b>SCHEDULE- J</b>	
<b>Particulars</b>	<b>31.03.2011</b>	<b>31.03.2010</b>	
Bank Charges	1,226	1,295	
<b>TOTAL (Rs.)</b>	<b>1,226</b>	<b>1,295</b>	

**SCHEDULE - K****NOTES ON ACCOUNTS ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS ON 31.03.2011**

1. The previous year figures have been regrouped/ rearranged wherever necessary to make them comparable with the figures of current year.

	<b>Current Year</b>	<b>Previous Year</b>
<b>2</b> Directors Emoluments:		
Salary (Director)	Nil	Nil
Sitting Fee	6,000.00	6,000.00
<b>3</b> Provision for taxation	239,172	Nil
<b>4.</b> Dividend	Nil	Nil
<b>5</b> Foreign Exchange- Inflow	Nil	Nil
Outflow	Nil	Nil
<b>6</b> Director traveling (Local)	358,562	413,928
(Foreign)	Nil	Nil
<b>7</b> Quoted Investments (Rs. in Lacs)		
-As per Balance Sheet	Nil	Nil
-Market Value as on B/S date	Nil	Nil

8. The company has no subsidiaries.
9. The balances of sundry debtors, creditors and loans and advances are subject to confirmation.
10. The company has not been able to appoint a suitable Company Secretary in terms of Sec. 383A of the Companies Act, 1956 due to non-availability of a suitable candidate.
11. There are no employees covered u/s. 217(2A)(b)(ii) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, as amended.
12. Related Party Disclosure:  
Related party disclosure as required by AS-18 "Related Party Disclosures" of the Institute of Chartered Accountants of India are given below:

**DIRECTORS**

Mr. Vinod Bansal  
Mr. Rajesh Arora  
Mr. Ashok Juneja  
Mr. Vinay Aggarwal

**Associates Company/Firm:-**

M/s Arora & Bansal  
M/s City Heights Developers & Promoters Pvt. Ltd  
M/s Blake Townships Pvt. Ltd.  
M/s Kinsoft Solutions Pvt Ltd.  
M/s ACE Innovators Pvt. Ltd  
M/s Jade Townplanners Pvt. Ltd.  
M/s Swatantar Consultants Pvt. Ltd.  
M/s ACE Innovators Pvt. Ltd.  
M/s Coral Townplanners Pvt. Ltd.  
M/s Dolphin E-Services Pvt. Ltd.  
M/s Cantel Communications Pvt. Ltd.

Name	Nature of Transaction	Amount(Rs.)	Balance as on 31-03-2011	Balance as on 31-03-2010
ACE Innovators (P) Ltd.	Consultancy Services	Nil	3,648/-Dr.	3,648/-Dr.
Kinsoft Solutions (P) Ltd.	Consultancy Services	Nil	10,050/- Dr.	10,050/- Dr.
Arora & Bansal	Consultancy Services	2,647,200/-	14,511/- Cr.	2,327,969/- Dr.
Arora & Bansal	Advance against property	500,000/-	500,000/- Cr.	-
Kinsoft Solutions (P) Ltd.	Loans & Advances	Nil	33,000/- Dr.	33,000/- Dr.

13. The Company is registered with the Reserve Bank of India as a NBFC within the provisions of the NBFC (Reserve Bank of India) Directions, 1998.
14. In the opinion of the management of the company the aggregate value of current assets, loans & advances if realised in the ordinary course of the business shall not be less than the amount at which these are stated in the Balance Sheet and the provision for all known liabilities are adequate.

#### 15. Deferred Tax

Deferred tax has been calculated in accordance with the provisions of Accounting Standard (AS- 22). The details are as under:

	<u>As at</u> <u>31.03.2011</u> <u>(Rs.)</u>
(A) Deferred Tax Liability on account of	
i. Depreciation	84,302
ii. Misc. Expenditure	Nil
Total (A)	84,302
(B) Deferred Tax Asset on account of	
i. Unabsorbed Depreciation	Nil
ii. Misc. Expenditure	Nil
iii. Provisions	Nil
Total (B)	NIL
<b>Net Deferred Tax Liabilities / (Assets) (A-B)</b>	<b>84,302</b>

Deferred Tax (Net) amounting to Rs. 2,443/- has been debited to Profit and Loss Account for the year-ended 31.03.2011.

#### 16. Impairment of Assets

In pursuance of Accounting Standard 28-Impairment of Assets (AS-28) issued by the Institute of Chartered Accountants of India, the company has reviewed its carrying cost of assets with value in use (determined based on future earnings)/net selling price (determined based on valuation). Based on such review, management is of the view that in the current financial year impairment of assets is not considered necessary.



**17. Earning Per Share**

The elements considered for calculation of Earning Per Share (Basic and Diluted) are as under:

Particulars	2010-2011	2009-2010
a. Net Profit after Taxation	337,976	588,652.00
b. Number of Equity shares outstanding	33,60,000	33,60,000
c. Earning per share (Face value of Rs. 10/- per share) (a)/(b) Basic and diluted)	0.1006	0.1752

**18. Segmental Reporting**

Accounting Standard -17 'Segment Reporting' issued by ICAI, the company has one segment only therefore the segment reporting is not applicable to the company.

**19. Micro, Small And Medium Enterprises**

The Company has not received any information from its suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act 2006, which came into effect from 2nd October, 2006 and hence disclosure, if any, relating to amounts unpaid as on 31st March, 2011 together with interest paid or payable as required under the Act, have not been given.

**SIGNIFICANT ACCOUNTING POLICIES**

- (a) **ACCOUNTING CONVENTION:** The Financial statements have been prepared in accordance with the historical cost convention and generally accepted accounting principles. A summary of the important accounting policies, which have been followed consistently, is set out below.
- (b) **FIXED ASSETS:** Fixed Assets are stated at cost of acquisition inclusive of freight & incidental expenses less depreciation thereof.
- (c) **DEPRECIATION:** Depreciation on owned Assets has been charged on straight line method as per rates and in the manner prescribed in Schedule-XIV of the Companies Act 1956. No Depreciation has been charged on additions of Rs. 22.12 lacs, on account of revaluation of the office premises during the year 1993-94.
- (d) **INVESTMENTS:** Investments are valued at cost.
- (e) **REVENUE RECOGNITION:**
  - (i) Income from consultancy and advisory services is accounted for on accrual basis.
  - (ii) In respect of other heads of income except dividends, the company follows the practice of accounting such income on accrual basis.

- (iii) Sales and Purchase of the company consists of the sale and purchase of shares in the secondary market and has been accounted for on accrual basis.
- (iv) All the expenses have been accounted for on mercantile basis.
  
- (f) **AMORTISATION OF MISCELLANEOUS EXPENSES:** The Company amortizes preliminary expenses including public issue expenses over a period of ten years and other deferred revenue expenditure over a period of five years.
- (g) **PROVISION FOR TAXATION:** Provision for taxation is computed as per total income returnable under the Income Tax Act, 1961.
  
- (h) **DEFERRED TAX:** Deferred Tax Liability is provided pursuant to Accounting Standard [AS-22]. Deferred Tax Asset and Deferred Tax Liability are calculated by applying tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred Tax Assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is virtual certainty of its realization, supported by convincing evidence. Deferred Tax Assets on account of other timing differences are recognized only to the extent there is reasonable certainty of its realization.
  
- (i) **OTHER ACCOUNTING POLICIES:** These are consistent with the generally accepted accounting policies.

Signatures to Schedule A to K

**For S. P. Monga & Co.**  
**Chartered Accountants**  
Sd/-  
S.P. Monga  
Proprietor

**For & on behalf of the Board**

Sd/-	Sd/-
Vinod Bansal	Rajesh Arora
Director	Director

Place: New Delhi  
Date: 19<sup>th</sup> August 2011

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL PROFILE.**

(Submitted in terms of Part IV of Schedule VI to the Companies Act, 1956)

**I. REGISTRATION DETAILS**

Registration No.	16-12532
State Code	16
Balance Sheet Date	31.03.2011

**II. CAPITAL RAISED DURING THE YEAR (Amount in Rs. '000)**

Public Issue Nil	Right Issue Nil
Bonus Issue Nil	Private Placement Nil

**III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amount in Rs. '000)**

Total Liabilities 34,606.60	Total Assets 34,606.60
Paid up Capital 33,600.00	Reserve & Surplus 129.20
Secured Loans Nil	Unsecured Loans Nil
Net Fixed Assets 2,772.58	Investment 21030.00
Net Current Assets 10804.02	Miscellaneous Expenditure Nil
Accumulated Losses 793.10	Deferred Tax Liability/ (Assets) 84.30

**IV. PERFORMANCE OF THE COMPANY (Amount in Rs. '000)**

Total Income 3002.85	Total Expenditure 2,191.61
Profit Before Tax 781.92	Profit After Tax 337.98
Earning Per Share 0.1006	

**V. GENERIC NAMES OF PRINCIPAL SERVICES OF THE COMPANY (as per monetary terms)**

Item Code (ITC Code)	NIL
Product Description	INVESTMENT
Item Code (ITC Code)	NIL
Product Description	INVESTMENT

# KINETIC TRUST LIMITED

Regd. Office: 527-R, City Tower, IInd Floor, Model Town, Ludhiana - 141002  
Corporate Office: 1406, Vikram Tower, Rajendra Place, New Delhi-10008

## ATTENDANCE CARD

Regd. Folio No. .... No. of Shares .....

Name of the Shareholder: .....

Address: .....

I hereby certify that I/We am/are a registered shareholder/ proxy of the company. I hereby record my/our presence at the 19th ANNUAL GENERAL MEETING of the company held at 527R, City Tower, Second Floor, Model Town, Ludhiana, on Monday, the 26th September, 2011 at 12:30 p.m.

Proxy Name (if Applicable).....

Signature of the Shareholder / Proxy

### Notes:

- Please complete the attendance slip and hand it over at the entrance of the meeting venue.
- Please also bring your copy of the enclosed Annual Report.

-----TEAR HERE-----

# KINETIC TRUST LIMITED

Regd. Office: 527-R, City Tower, IInd Floor, Model Town, Ludhiana - 141002  
Corporate Office: 1406, Vikram Tower, Rajendra Place, New Delhi-10008

## FORM OF PROXY

For Office Use Only

Proxy No. ....

Regd. Folio No. .... No. of Shares .....

I/We..... of .....being a member/members of KINETIC TRUST LIMITED hereby appoint ..... of ..... or failing him

.....of..... or failing him ..... of ..... as my/our Proxy to attend & vote for me/us and on my/our behalf at the 19th ANNUAL GENERAL MEETING of the company held on Monday, the 26th September, 2011 at 12:30 P.M., 527R, City Tower, Second Floor, Model Town, Ludhiana and at any adjournment thereof.



Note: The form of Proxy, duly signed across the revenue stamp should reach Registered Office of the Company, not less than 48 hours before the time fixed for the meeting.

**KINETIC TRUST LIMITED**

**1406, Vikram Tower  
16, Rajendra Place,  
New Delhi-110008**