



KINETIC TRUST LIMITED

22nd
Annual Report
2013 - 2014

BOARD OF DIRECTORS

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

BANKERS

State Bank of India
Bank of India

AUDITORS

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

LEGAL ADVISORS

Mr. Pramod Verma

REGISTERED OFFICE

527-R, City Tower, IInd Floor
Model Town,
Ludhiana-141002

CORPORATE OFFICE

1406, Vikram Tower
16 Rajendra Place
New Delhi-110008
Tel: 66402000-4,
Email: info@ktl.co.in

SHARE TRANSFERS AND OTHER COMMUNICATIONS

Shares Department
M/s Link Intime India (P) Ltd.
44, Community Centre, IInd Floor,
Naraina Industrial Area
Phase-1, Near PVR Naraina,
New Delhi-110028
Tel: + 91 9818022307
Email: bharatb@linkintime.com.in

INVESTOR'S GRIEVANCES

Mr. Ranjan Kumar
Compliance Officer,
Kinetic Trust Limited
1406, Vikram Tower
16 Rajendra Place
New Delhi-110008

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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 are periodically compiled and 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 realized, 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 materialize, 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 Twenty Second Annual General Meeting of the Members of M/s Kinetic Trust Limited will be held as scheduled below:

Day : Saturday
Date : 20.09.2014
Time : 12.30 p.m.
Place : 527R, City Tower, 2nd Floor, Model Town, Ludhiana-141002

To transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2014 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 a Director in place of Mr. Rajesh Arora, who retires by rotation and, being eligible, offers himself for re-appointment.
3. Appointment of Auditors

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 section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, S.P. Monga & Co., Chartered Accountants,(FRN012174N) be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the twenty-fifth AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM), at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

4. Appointment of Mr. Ashok Juneja as an Independent Director of the Company.

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 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Ashok Juneja

(DIN00696309), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 20thSeptember,2014 up to 20thSeptember,2019.”

5. Appointment of Mr. Vinay Aggarwal as an Independent Director of the Company.

To consider and if thought fit to pass with or without modification(s) the following resolution as an OrdinaryResolution:

“RESOLVED that pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Vinay Aggarwal (DIN 03075765), a non-executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in section 149(6) of the Act and who is eligible for appointment, be and is hereby appointed as an Independent Director of the Company with effect from 20thSeptember,2014 up to 20thSeptember,2019.”

NOTES

1. The relative Explanatory Statement pursuant to section 102 of the Companies Act, 2013 (Act) in respect of the business under Item No. 3 of the Notice, is annexed hereto. The relevant details as required under clause 49 of the Listing Agreements entered into with the Stock Exchanges, of persons seeking appointment/ re-appointment as Directors under Item No. 2 and Item No. 4, 5 of the Notice, are also annexed.
2. 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. The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.
3. 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.

4. Members/Proxies should bring the Attendance Slip duly filled in for attending the meeting. The Register of Members & Share Transfer Books will remain closed from 15th September, 2014 up to 18th September, 2014, both days inclusive.
5. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, power of attorney, change of address, change of name, e-mail address, contact numbers, etc., to their Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and the Company's Registrars and Transfer Agents, LINK INTIME INDIA (P) LTD to provide efficient and better services. Members holding shares in physical form are requested to intimate such changes to Link Intime India (P) Ltd.
6. Members holding shares in physical form are requested to consider converting their holding to Dematerialized form to eliminate all risks associated with physical shares and for ease of portfolio management. Members can contact the Company or LINK INTIME INDIA (P) LTD for assistance in this regard.
7. In case of joint holders attending the meeting, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote.
8. The Notice of the AGM along with the Annual Report 2013-14 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company/Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
9. No gifts will be distributed in the Annual General Meeting.

For and on behalf of the Board of Directors

Sd/-

Vinod Bansal
Director

Date: 11th August 2014

Place: New Delhi

EXPLANATORY STATEMENT (Pursuant to section 102 of the Companies Act, 2013)

As required by section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 2 to 5 of the accompanying Notice:

Item No. 3:

This explanatory statement is provided though strictly not required as per section 102 of the Act. S.P. Monga & Co, (ICAI Firm Registration No. 012174N), Chartered Accountants (CAs), New Delhi were reappointed as the statutory auditors of the Company for financial year 2013-14 at the Annual General Meeting (AGM) of the Company held on September 20, 2013.

S.P. Monga & Co has been the Auditors of the Company since 2007 and have completed a term of 7 years. As per the provisions of section 139 of the Act, no listed company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. Section 139 of the Act has also provided a period of three years from the date of commencement of the Act to comply with this requirement.

In view of the above, S.P. Monga & Co, being eligible for re-appointment and the Board of Directors have proposed the appointment of S.P. Monga & Co., Chartered Accountant as the statutory auditors of the Company for a period of three years to hold office from the conclusion of this AGM till the conclusion of the twenty-fifth AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM).

The Board recommends the Resolution at Item No. 3 for approval by the Members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of directors and KMP is concerned or interested in the Resolution at Item No. 3 of the accompanying Notice.

Item Nos. 4 and 5:

The Company had, pursuant to the provisions of clause 49 of the Listing Agreements entered with the Stock Exchanges, appointed Mr. Ashok Juneja and Mr. Vinay Aggarwal, as Independent Directors at various times, in compliance with the requirements of the clause.

Pursuant to the provisions of section 149 of the Act, which came in to effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

The company has recommended the appointment of these directors as Independent Directors from 20th September, 2014 up to 20th September, 2019.

Mr. Ashok Juneja and Mr. Vinay Aggarwal, non-executive directors of the Company, have given a declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, each of these directors fulfill the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and they are independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Directors is now being placed before the Members for their approval.

The terms and conditions of appointment of the above Directors shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday.

A brief profile of the Independent Directors to be appointed is given below:

Mr. Ashok Juneja is a graduate from SRCC and LLB from Faculty of Law, University of Delhi and a post graduate in Commerce from Delhi School of Economics, University of Delhi. He is a qualified Company Secretary and a Cost & Works Accountant and is also a Fellow Member of both the Institutes - ICSI and ICWA. He did his Masters in Business Administration from Faculty of Management Studies (FMS), University of Delhi.

He is the past Chairman of the Professional Development Committee of Northern India Regional Council of the Institute of Company Secretaries of India. He has been a member of the experts committee - CORE GROUP of the Institute of Company Secretaries of India and also the Council Member of NIRC of ICSI.

He has over two decades of total experience as a professional in the field of Corporate Affairs, Finance, Legal, Secretarial, Corporate Advisory Services, Financial Services and Merchant Banking with reputed groups like DCM, ESCORTS, THAPARS, SINGER INDIA, ONIDA at Senior and General Management Levels. His professional assignments have given him very wide exposure in Corporate Affairs and Legal Aspects of Business Management. He is invited by Professional Bodies to share his views on a wide range of corporate matters. He is considered to be an authority in matters relating to Capital Issues and Corporate Finance.

Mr. Vinay Aggarwal is a graduate in science and has completed CA inter from the Institute of Chartered Accountants of India. He has over 25 years of total experience as a professional in the field of Accounts, Finance and Human Resource with various reputed groups.

Mr. Ashok Juneja and Mr. Vinay Aggarwal, respectively, are concerned or interested in the Resolutions of the accompanying Notice relating to their own appointment.

DIRECTOR'S REPORT

To the Members,
Kinetic Trust Limited,
Ludhiana

Your directors take great pleasure in bringing this Twenty Second Annual Report on the business and operations of the company for the financial year ended March 31, 2014.

FINANCIAL RESULTS

The financial highlights of the company in the financial year 2013-14 as compared to the previous year are tabled below for your consideration:

Particulars	Amount in ₹ (Lacs)	
	Current Year	Previous Year
Sales	36.30	38.98
Other Income	2.36	2.13
Profit (Loss)/before extraordinary Items and tax	10.39	8.76
Less extraordinary items	-	-
Profit/(loss) before tax	10.39	8.76
Dividend	Nil	Nil

PERFORMANCE OF THE COMPANY

The net profits of the company has shown slight increase in the current year. The Directors of the company shall continue their endeavor to further improve the trend of growth in the coming years.

AUDITORS

M/s S.P. Monga & Co., Chartered Accountants, who are the statutory auditors of the Company, hold office till the conclusion of the forthcoming AGM and are eligible for re-appointment. Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules framed thereunder, it is proposed to appoint S.P. Monga & Co as statutory auditors of the Company from the conclusion of the forthcoming AGM till the conclusion of the twenty-fifth AGM to be held in the year 2017, subject to ratification of their appointment at every AGM.

DIRECTORS

There was no change in the Directors during the year. The Company had, pursuant to the provisions of clause 49 of the Listing Agreements entered into with Stock Exchanges, appointed Mr. Ashok Juneja and Mr. Vinay Aggarwal as Independent Directors of the Company.

As per section 149(4) of the Companies Act, 2013 (Act), which came into effect from April 1, 2014, every listed company is required to have at least one-third of the total number of directors as Independent directors. In accordance with the provisions of section 149 of the Act, these Directors are being appointed as Independent Directors to hold office as per their tenure of appointment mentioned in the Notice of the forthcoming Annual General Meeting (AGM) of the Company.

Mr. Rajesh Arora, Director, retires by rotation and being eligible has offered himself for re-appointment.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to clause (c) of the provisions of Section 134(3) of the Companies Act, 2013, the Directors hereby confirm the responsibility for the integrity and objectivity of the Profit & Loss Account for the year ended 31st March, 2014 and the Balance Sheet as at that date ("Financial Statements") and confirm that:

1. In the preparation of the annual accounts for the year ended March 31, 2014 the applicable accounting standards read with requirements set out under schedule VI to the companies Act 1956 have been followed and there are no material departures from the same.
2. We have selected such accounting policies that are reasonable, prudent and applied them consistently and made judgments and estimates so as to give a true and fair view of the state of affairs of the company as at March 31, 2014 and of the profit of the company for the year ended on that date.
3. We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 1956 for safe guarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. We have prepared the annual returns of the company on a going concern basis.
5. We have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
6. We have devised proper systems to ensure compliance of all applicable laws and that such systems were adequate and operating effectively.

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.

LOANS, INVESTMENTS AND GUARANTEE:

The loans and investments of the company for the year ended 31.03.2014:

Particulars	Amount (in Rs.)	Amount (in Rs.)
Investment in equity instrument		
• Chilka Fin Trade Pvt. Ltd (1,00,000 shares of Rs. 10 each)	1,000,000	
• VishamberSahai Fin Pvt. Ltd. (30,000 shares of Rs. 10 each)	1,100,000	2,100,000
Unsecured loans and advances		
• Hindson Warehousing	204,603	
• Kinsoft Solutions Pvt. Ltd.	33,000	
• Santosh Kumar Diwedi	50,000	
• Vinay Pal Jain	875,783	
• Hindustan Rasayan Pvt. Ltd.	3,090,142	4,253,528
Total		6,353,528

AUDITORS REPORT

There are no adverse remarks in the Auditors' Report need to be discussed. 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 134 of the Companies Act, 2013.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORBTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The company is a NBFC, therefore the information with regard to conservation of energy, technology absorption as required by the Companies (Accounts) Rules,2014 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 (2013-2014)	Previous Year (2012-2013)
a) Foreign Exchange Inflow	Nil	Nil
b) Foreign Exchange Outflow	Nil	Nil

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.

CORPORATE GOVERNANCE REPORT, MANAGEMENT DISCUSSION AND ANALYSIS REPORT

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

As per clause 49 of the Listing Agreements entered into with the Stock Exchanges, Corporate Governance Report with auditors' certificate thereon and Management Discussion and Analysis are attached and form part of this report.

Declaration by Independent Directors

[Pursuant to section 149(6) of the Companies Act, 2013]

I, **ASHOK JUNEJA**, an independent director, hereby solemnly declare and affirm that:

- a) I, in the opinion of the Board, am a person of integrity and possess relevant expertise and experience;
- b) (i) I am not a promoter of the company or its holding, subsidiary or associate company;
(ii) I am not related to promoters or directors in the company, its holding, subsidiary or associate company;
- c) I have or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- d) None of my relatives have or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- e) Neither I, nor any of my relatives--
 - (i) holds or have held the position of a key managerial personnel or are or have been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year 2013-14;
 - (ii) are or have been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year 2013-14:
 - A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent or more of the gross turnover of such firm;
 - (iii) Holds together with his relatives two per cent or more of the total voting power of the company; or
 - (iv) is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives twenty-five per cent or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent or more of the total voting power of the company;

For and on behalf of the Board of Directors

Sd/-

Vinod Bansal
Director

Date: 11th August, 2014
Place: New Delhi

Declaration by Independent Directors

[Pursuant to section 149(6) of the Companies Act, 2013]

I, **VINAY AGGARWAL**, an independent director, hereby solemnly declare and affirm that:

- a) I, in the opinion of the Board, am a person of integrity and possess relevant expertise and experience;
- b)
 - i) I am not a promoter of the company or its holding, subsidiary or associate company;
 - ii) I am not related to promoters or directors in the company, its holding, subsidiary or associate company;
- c) I have or had no pecuniary relationship with the company, its holding, subsidiary or associate company, or their promoters, or directors, during the two immediately preceding financial years or during the current financial year;
- d) none of my relatives have or had pecuniary relationship or transaction with the company, its holding, subsidiary or associate company, or their promoters, or directors, amounting to two per cent. or more of its gross turnover or total income or fifty lakh rupees or such higher amount as may be prescribed, whichever is lower, during the two immediately preceding financial years or during the current financial year;
- e) neither I, nor any of my relatives--
 - i) holds or have held the position of a key managerial personnel or are or have been employee of the company or its holding, subsidiary or associate company in any of the three financial years immediately preceding the financial year 2013-14;
 - ii) are or have been an employee or proprietor or a partner, in any of the three financial years immediately preceding the financial year 2013-14--
 - A) a firm of auditors or company secretaries in practice or cost auditors of the company or its holding, subsidiary or associate company; or
 - B) any legal or a consulting firm that has or had any transaction with the company, its holding, subsidiary or associate company amounting to ten per cent. or more of the gross turnover of such firm;
 - iii) holds together with his relatives two per cent. or more of the total voting power of the company; or
 - iv) is a Chief Executive or director, by whatever name called, of any nonprofit organization that receives twenty-five per cent. or more of its receipts from the company, any of its promoters, directors or its holding, subsidiary or associate company or that holds two per cent. or more of the total voting power of the company;

For and on behalf of the Board of Directors

Sd/-

Vinod Bansal

Director

Date: 11th August, 2014

Place: New Delhi

OTHER INFORMATION

All other information pursuant to requirements of Section 134 of the Companies Act, 2013 read with the rules is either Nil or Not Applicable.

ACKNOWLEDGEMENTS

We are thankful to all 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 bankers.

Directors express their appreciation, co-operation and support extended by various Authorities, Bankers and other business associates of the Company.

For and on behalf of the Board of Directors

Sd/-

Vinod Bansal

Director

Date: 11th August, 2014

Place: New Delhi

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The revitalization of global economy continued during the calendar year 2013 and the global economy ended the year on a better footing as compared to the start of the year. The growth momentum is expected to be carried forward during the year 2014. The International Monetary Fund forecasts that world output will grow 3.6% in 2014, compared to 2.9% during 2013.

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956, guidelines issued by the Securities and Exchange Board of India (SEBI) and the Generally Accepted Accounting Principles (GAAP) in India. Our Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for the various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner the form and substance of transactions. A robust internal check process is deployed to prevent and limit risk of non-compliance.

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.

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 forming part of this Report is in compliance with Corporate Governance Standards incorporated in the listing agreement with Stock Exchanges and such statements may be "forward-looking" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

For and on behalf of the Board

Sd/-

Vinod Bansal

Director

CORPORATE GOVERNANCE REPORT

(Forming part of Director's Report for the year ended 31st March 2014)

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 believes that good corporate governance is essential to achieve long term corporate goals and enhance Stakeholders value. The company's philosophy on corporate governance is aimed at the attainment of highest level of transparency, accountability and compliance of law in all facets of operations, leading to best standards of corporate governance.

The company complies with the requirements regarding Corporate Governance as stipulated as clause 49 of the listing agreements of the Stock exchange where its shares are listed.

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 31st March 2014 is as follows:

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

- Four board meetings were held during the year and the gap between two meetings does not exceed four months. The dates on which the meetings were held are as follows:

30th April, 2013, 10th August, 2013, 5th November 2013 and 31st January, 2014.

The necessary quorum was present for all the meetings.

- None of the Non-Executive Directors have any material pecuniary relationship or transactions with the Company.
- 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:

Name of Director	Category of Directorships	No. of Board Meetings attended	Last AGM attended	No. of other Directorships held in public companies	No. of other committee Memberships
Vinod Bansal	Promoter/ Executive	4	Yes	-	Nil
Rajesh Arora	Promoter/ Executive	4	Yes	-	Nil
Ashok Juneja	Independent Non- Executive	4	Yes	1	Nil
Vinay Aggarwal	Independent Non- Executive	4	Yes	-	Nil

AUDIT COMMITTEE

The company is in the process of forming an audit committee under the provisions of Section 177 of the Companies Act, 2013.

REMUNERATION COMMITTEE

The Directors are not paid any remuneration. The company is in the process of forming remuneration committee under the provisions of section 178 of the Companies Act, 2013 and Companies (Meetings of Board and its Powers) Rules, 2014

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.

Mr. Ranjan Kumar, the Compliance Officer of the Company attends the shareholders/ investors grievances/ correspondence expeditiously. No share transfers were pending as on 31.03.2014.

DISCLOSURES

The company has provided consultancy services to its associate firm M/s Arora and Bansal amounting to Rs. 10.81 Lacs as on 31.03.2014. The company has not entered into any other 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.

GENERAL BODY MEETING

a. Annual General Meeting:

Financial Year	Date	TIME	VENUE
2010-11	26.09.2011	12.30 P.M.	527R, City Tower, Model Town, Ludhiana
2011-12	28.09.2012	12.30 P.M.	
2012-13	21.09.2013	12.30 P.M.	

b. Special Resolutions:

No special resolution was passed by the Company in any of its previous three AGMs.

c. Postal Ballot:

No Postal Ballot was conducted during the year 2013-14.

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. Business Standard Hindi
2. Business Standard English

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).

GENERAL SHAREHOLDER INFORMATION

(a) Forthcoming Annual general Meeting:

Date	:20.09.2014
Time	:12.30 P.M.
Venue	:527R, City Tower, Model Town, Ludhiana

As required under clause 49(IV) (G) (i) of the Listing Agreements entered into with the Stock Exchanges, particulars of Directors seeking appointment/re-appointment at the forthcoming AGM are given in the Annexure to the Notice of the AGM to be held on 20th September, 2014.

(b) Financial Year

The Company's financial year is from 1st April to 31st March.

(c) Date of Book Closure & Dividend payment Date

The Book Closure will be from 15th September, 2014 up to 18th September, 2014(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 India Private Limited
44, Community Centre, IInd Floor,
Naraina Industrial Area
Phase-1, Near PVR Naryana,
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 M/s Link Intime India Private 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.

The Company has not issued any ADRs, GDRs or any other Convertible Instruments.

(h) Dematerialization of Shares

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the depositories in India viz. NSDL and CDSL.

Electronic/Physical	No. of Shareholders
NSDL	64361
CDSL	64539
Physical	3,231,100

(i) Listing Fees as applicable have been paid.**(j) Address for Correspondence**

(i) 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 India Private Limited
44, Community Centre, IIInd Floor,
Naraina Industrial Area,
Phase-1, Near PVR Naryana,
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, RajendraPlace, New Delhi-110008.

(k) Shareholding Pattern as on 31st March 2014

Category code	Category of Shareholders	No. of Shareholders	Total Number of Shares	No. of Shares held in dematerialized form	Total Shareholding as a percentage of total no. of shares		Shares Pledged or otherwise encumbered	
					As a percentage of (A+B)	As a percentage of (A+B+C)	No. of Shares	As a percentage
(I)	(II)	(III)	(IV)	(V)	(VI)	(VII)	(VIII)	(IX)= (VIII)/(IV)*100
(A)	Shareholding of Promoter and Promoter Group							
1	Indian							
(a)	Individuals/Hindu Undivided Family	9	314000	0	9.35	9.35	0	0.00
(b)	Central Government/ State Government(s)	0	0	0	0.00	0.00	0	0.00
(C)	Bodies Corporate	9	2086000	0	62.08	62.08	0	0.00
(d)	Financial Institutions/ Banks	0	0	0	0.00	0.00	0	0.00
(e)	Any Others (Specify)	0	0	0	0.00	0.00	0	0.00
(e-i)					0.00	0.00	0	0.00
(e-ii)					0.00	0.00	0	0.00
	Sub Total (A)(1)	18	2400000	0	71.43	71.43	0	0.00
2	Foreign							
a	Individuals(Non-Residents Individuals/ Foreign Individuals)	0	0	0	0.00	0.00	0	0.00
b	Bodies Corporate	0	0	0	0.00	0.00	0	0.00
c	Institutions	0	0	0	0.00	0.00	0	0.00
d	Any Others (Specify)	0	0	0	0.00	0.00	0	0.00
d-i					0.00	0.00	0	0.00
d-ii					0.00	0.00	0	0.00
	Sub Total(A)(2)	0	0	0	0.00	0.00	0	0.00
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+ (A)(2)	18	2400000	0	71.43	71.43	0	0.00

(B)	Public Shareholding							
1	Institutions							
(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 Capital Investors	0	0	0	0.00	0.00		
(h)	Any Other(specify)	0	0	0	0.00	0.00		
(h-i)					0.00	0.00		
(h-ii)					0.00	0.00		
	Sub Total(B)(1)	0	0	0	0.00	0.00		
B2	Non- institutions							
(a)	Bodies Corporates	20	77007	2107	2.29	2.29		
(b)	Individuals				0.00	0.00		
I	Individuals- i. Individual Shareholders holding nominal share capital up to Rs 1 lakh	869	701093	89393	20.86	20.86		
II	ii. Individual Shareholders holding nominal share capital in excess of Rs. 1 lakh.	12	168200	36800	5	5		
(c)	Any Other(specify)	0	0	0	0.00	0.00		
(c-I)	CLEARING MEMBER	1	600	600	0.02	0.02		
(C-II)	DIRECTORS/ RELATIVES	1	13100		0.39	0.39		
	Sub- Total (B)(2)	903	960000	128900	28.57	28.57		

(B)	Total Public Shareholding (B) = (B)(1)+(B)(2)	903	960000	128900	28.57	28.57		
	TOTAL(A)+(B)	921	3360000	128900	100.00	100.00		
(C)	Shares held by Custodians and against which Depository Receipts have been issued:							
1	Promoter and Promoter Group	0	0	0		0.00	0	0.00
2	Public	0	0	0		0.00	0	
	Sub Total(C)	0	0	0		0	0	
	GRAND TOTAL (A)+(B)+(C)	921	3360000	128900		100.00	0	0.00

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. 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.

An independent director shall hold office for a term up to five consecutive years on the Board of a company and shall be eligible for reappointment for another term of up to five consecutive years on passing of a special resolution by the company.

Provided that a person who has already served as an independent director for five years or more in a company as on October 1, 2014 shall be eligible for appointment, on completion of his present term, for one more term of up to five years only.

Provided further that an independent director, who completes his above mentioned term shall be eligible for appointment as independent director in the company only after the expiration of three years of ceasing to be an independent director in the company.

(b) 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.

(c) 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.

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 11th August, 2014. The same is being included in this annual report.

For and on behalf of the Board

Sd/-

Vinod Bansal

Director

Date: 11th August, 2014

Place: New Delhi

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, 2014, as envisaged in clause 49 of the Listing Agreement with stock exchanges.

For and on behalf of the Board

Sd/-

Vinod Bansal

Director

Date: 11th August, 2014

Place: New Delhi

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 2013-2014 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 2013-2014 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 2013-2014;
 - Significant changes in accounting policies during the year 2013-2014 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)

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 2014, as stipulated in Clause 49 of the listing agreement of the company entered into with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the Management. Our examination was limited to a review of the 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.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated 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
Sd/-
(S P Monga)
Proprietor
Membership No. 081562

Date: 11th August, 2014
Place: New Delhi

INDEPENDENT AUDITOR'S REPORT

To
The Members
M/s KINETIC TRUST LIMITED

Report on Financial Statements

We have audited the accompanying Financial Statements of M/s KINETIC TRUST LIMITED, which comprise the Balance Sheet as at 31st March 2014, the Statement of Profit & Loss for the period ended on that date annexed thereto and a summary of significant accounting policies and other explanatory information.

Management Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the accounting principles generally accepted in India including Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

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 31st March 2014 and
- ii) In case of Statement of Profit and Loss, of the Profit of the company for the year ended on that date.
- iii) In case of Cash Flow Statements, of the Cash Flow for the year ended on that date.

Report on other Legal & Regulatory requirements

- i) As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order 2004 (hereinafter referred to as "the Order") 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 give in the *Annexure* a statement specified in paragraph 4 & 5 of the said order.
- ii) As required by section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our Audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the company as far as appears from our examination of such books.
 - (c) The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt by this report are in agreement with the books of accounts.
 - (d) In our opinion, the Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by 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 31st March 2014, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2013 from being appointed as director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
- iii) As required by the Non -Banking Financial Companies Auditor's Report (Reserve Bank) directions 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 give our observations as under:-

- a) (i) The Company is registered as NBFC with the Reserve Bank of India as required U/S 45-A of the Reserve Bank of India Act, 1934 and the Certificate of the registration has been granted.
- (ii) The company is entitled to hold COR issued by Bank in terms its assets and income patterns as on 31 March of the applicable year.
- b) As the Company is not accepting/holding public deposits, clause 'B' of paragraph 3 of the NBFC Auditor's Report (Reserve Bank) Directions, 2008 is not applicable to this company.
- c) (i) The Board of Directors have passed a resolution for the non-acceptance of any public deposits.
- (ii) The Company has not accepted any public deposits during the relevant year.
- (iii) The Company has complied with the prudential norms relating to income recognition, accounting standards, assets classification and provisioning for bad & doubtful debts as applicable to it.
- d) Clause 'D' of the paragraph 3 of NBFC Auditor's Report (Reserve Bank) Directions, 2008 is not applicable to the company.

**For S.P. Monga & Company
Chartered Accountants
Firm Registration No. : 012174N**

**Sd/-
Sat Parkash Monga
(Proprietor)
Membership No. 081562
FRN:012174N**

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

Annexure referred to in our report to the members of M/s KINETIC TRUST LIMITED for the year ended on 31st March, 2014. We report that:-

- (i) (a) The company has maintained proper records showing full particulars including 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 over a period of one years, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has 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 has maintained proper records of inventory in the books of account.
- (iii) The company has not taken/accepted any unsecured loans during the year from companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956.
The company has not granted any secured or unsecured loans to companies, firms and 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 that, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchases and sale of security 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 weaknesses 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 transactions made 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, have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.

- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of Sections 58A, 58AA or any other relevant provisions 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 trading of the 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 as applicable with appropriate authorities.
- (b) 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, service tax, custom duty and cess which have not been deposited on account of any dispute.
- (x) The company has no accumulated losses as at 31.03.2013 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- (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 defaulted in repayment of dues to a financial institution, bank as at the balance sheet date. 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) 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 made investment in Equity Shares during the year.

- (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) The company has not taken any term loan from Bank or Financial Institutions 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 any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.
- (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.

For and on behalf of S.P. Monga & Company
Chartered Accountants
Firm Registration No. : 012174N

Sd/-
Sat ParkashMonga
(Proprietor)
Membership No. 081562

FRN:012174N

KINETIC TRUST LIMITED
BALANCE SHEET AS AT 31.03.2014

(Amount in Rs.₹)

I EQUITY AND LIABILITIES				
(1)	Shareholders' funds			
(a)	Share Capital	3	33,600,000	33,600,000
(b)	Reserves and Surplus	4	2,680,551	1,962,278
(c)	Money received against share warrants		-	-
(2)	Share Application money pending allotment			
(3)	Non-Current Liabilities			
(a)	Long- Term Borrowings	5	350,000	350,000
(b)	Deferred Tax Liabilities (Net)	6	85,205	86,005
(c)	Other Long-Term liabilities		-	-
(d)	Long-Term Provisions		-	-
(4)	Current Liabilities			
(a)	Short- Term Borrowings	7	-	-
(b)	Trade Payables	8	1,582,659	1,594,605
(c)	Other Current Liabilities	9	4,207,208	3,472,955
(d)	Short Term Provisions	10	321,997	463,352
	Total of Liabilities		42,827,619	41,529,195
II ASSETS				
(1)	Non-Current Assets			
(a)	Fixed Assets	11		
	(i) Tangible assets		2,688,290	2,716,387
	(ii) Intangible assets		-	-
	(iii) Capital work in progress		-	-

	(iv) Intangible assets under development		-	-
(b)	Non-Current Investments	12	2,100,000	2,100,000
(c)	Deferred Tax Assets (Net)		-	-
(d)	Long Term Loans and Advances	13	4,256,528	4,048,653
(e)	Other Non-current Assets		-	-
(2)	<u>CURRENT ASSETS</u>			
(a)	Current investments		-	-
(b)	Inventories		-	-
(c)	Trade receivables	14	5,755,937	4,674,800
(d)	Cash and Bank Balances	15	38,650	497,872
(e)	Short-term loans and advances	16	27,330,000	26,655,500
(f)	Other Current Assets	17	658,214	835,983
	Total of Assets		42,827,619	41,529,195

KINETIC TRUST LIMITED
STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED ON 31.03.2014

(Amount in Rs.)

Sr. No.	Particulars	Note No.	For the Year Ended 31.03.2014	For the Year Ended 31.03.2013
I	Revenue from Operations (Gross)	18	3,630,000	3,898,500
	Less :- Excise Duty		-	-
	Revenue from Operations (Net)		3,630,000	3,898,500
II	Other Income	19	235,028	213,665
III	Total Revenue (I+II)		3,865,028	4,112,165
IV	Expenses:			
	Cost of Material Consumed		-	-
	Purchases of Stock-In-Trade		-	-
	Changes in Inventories of Finished Goods, Work-In Progress and Stock-In-Trade		-	-
	Employee benefits expenses	20	1,339,000	1,394,050
	Finance Costs	21	730	2,039
	Depreciation and amortization expenses	22	28,097	28,097
	Other expenses	23	1,457,732	1,810,984
	Total Expenses (IV)		2,825,559	3,235,170
V	Profit before exceptional and extraordinary items and Tax (III - IV)		1,039,469	876,995

VI	Add/Less :- Exceptional items				
VII	Profit before extraordinary items and tax (V-VI)			1,039,469	876,995
VIII	Add/ Less :- Extraordinary items				
IX	Profit before tax (VII - VIII)			1,039,469	876,995
X	<u>Tax Expense:</u>				
	(1) Current Tax	321,997			270,740
	(2) Deferred Tax	(800)			252
				321,197	270,992
XI	Profit (Loss) from the period from continuing operations (VII - VIII)			718,272	606,003
XII	Profit (Loss) from Discontinuing operations			-	-
XIII	Tax expense of discounting operations			-	-
XIV	Profit (Loss) from Discontinuing operations (after tax) (XII-XIII)			-	-
XV	Profit/(Loss) for the period (XI-XIV)			718,272	606,003
XVI	Earning per equity share				
	(1) Basic			0.21	0.18
	(2) Diluted			0.21	0.18

(Amount in Rs.)

Particulars		2013-14	2012-13
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit before Tax	1,039,469	876,995
	<u>Add Back</u>		
	Depreciation	28,097	28,097
	Loss on Sale of Assets	-	28,097
		1,067,566	905,092
	<u>Deduct:</u>		
	Interest Income	235,028	213,665
		235,028	213,665
	Operating Profit before working capital changes	832,538	691,427
	(Increase)/Decrease in Trade and Other Receivable	(1,577,868)	(666,746)
	Increase/ (Decrease) in Current Liability and Provisions	580,952	(115,635)
		(996,916)	(782,381)
	Cash Generated from Operations	(164,378)	(90,954)
	<u>Deduct:</u>		
	Current tax	321,997	270,740
	NET CASH INFLOW FROM OPERATING ACTIVITIES ---'A'	(486,375)	(361,694)
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	<u>Outflow</u>		
	Purchase of Fixed Assets	-	-
	Sale of Fixed Assets	-	-
	Increase/(Decrease) in Investment	-	-

	<u>Inflow</u>				
	Interest Income	235,028	235,028	213,665	213,665
	NET CASH USED IN INVESTING ACTIVITIES				
	---'B'		235,028		213,665
C.	CASH FLOW FROM FINANCING				
	ACTIVITIES				
	(Increase)/Decrease in Loan and Advance	207,875		(196,975)	
			207,875	-	(196,975)
	NET CASH FROM FINANCING ACTIVITIES -				
	---'C'		207,875		(196,975)
	NET INCREASE/(DECREASE) IN CASH OR CASH				
	EQUIVALENTS (A+B+C)		(43,472)		(345,004)
	Cash/Cash Equivalents at commencement of the year (Opening Balance)		497,872		842,876
	Cash/Cash Equivalents at the end of the year (Closing Balance)		454,400		497,872

FOR KINETIC TRUST LTD.

SD/-
VINOD BANSAL
DIRECTOR

SD/-
RAJESH ARORA
DIRECTOR

Note – 1 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 MISC 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 Notes

For S.P Monga & Company
Chartered Accountants

For and on behalf of the Board

Sd/-
(S P Monga)
Proprietor

Sd/-
Vinod Bansal
(Director)

Sd/-
Rajesh Arora
(Director)

Note-2

NOTES ON ACCOUNTS ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS ON 31.03.2014

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

Particulars	Current Year	Previous Year
2. Directors Emoluments:		
Salary (Director)	Nil	Nil
Sitting Fee	6,000	6,000
3. Provision for taxation	3,21,997	2,70,740
4. Dividend	Nil	Nil
5. Foreign Exchange- Inflow	Nil	Nil
Outflow	Nil	Nil
6. Director Traveling (Local)	2,65,500	3,75,600
(Foreign)	Nil	Nil
7. 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 Hieghts Developers & Promoters P. Ltd.

M/s Blake Townships Pvt. Ltd.

M/s Kinsoft Solutions Pvt Ltd.

M/s A & B corporate consultants Pvt.LTD

M/s Jade Townplanners P. Ltd.

M/s Swatantra Consultants P. Ltd.

M/s ACE Innovators P. Ltd.

M/s Coral Townplanners P. Ltd.

M/s Dolphin E-Services P. Ltd.

M/s Cantel Communications P. Ltd.

M/s Matrix E- services Pvt.Ltd.

Transaction with Related Party :-

Name	Nature of Transaction	Transaction During the year	Balance as on 31.03.2014	Balance as on 31.03.2013
ACE Innovators P. Ltd. (Matrix Precessing House)	Consultancy Services	Nil	8,35,982/- Cr.	8,35,982/- Cr.
Kinsoft Solutions P. Ltd.	Trade Receivable	Nil	10,050/- Dr.	10,050/-Dr.
Arora & Bansal	Consultancy Services	36,30,000/-	10,81,137/- Dr.	Nil
Arora & Bansal	Advance Against Property	Nil	21,00,000/- Cr.	21,00,000/- Cr.
Kinsoft Solutions P. Ltd.	Loan & Advance	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:

	As at 31.03.2014 (Rs.)	As at 31.03.2013 (Rs.)
(A) Deferred Tax Liability on account of		
i. Depreciation	85,205	86,005
ii. Misc. Expenditure	Nil	Nil
Total (A)	85,205	86,005

(B) Deferred Tax Asset on account of		
i. Unabsorbed Depreciation	Nil	Nil
ii. Misc. Expenditure	Nil	Nil
iii. Provisions	NIL	Nil
Total (B)	NIL	Nil
Net Deferred Tax Liabilities / (Assets) (A-B)	85,205	86,005

Deferred Tax (Net) amounting to Rs. 800/- has been credited to Profit and Loss Account for the year-ended 31.03.2014

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 (determine 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	2013-14	2012-13
a. Net Profit after Taxation	7,18,272	6,06,003
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)	0.21	0.18

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, 2014 together with interest paid or payable as required under the Act, have not been given.

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2014

Note : 3 Share Capital

(Amount in Rs.)

No	Particulars	31.03.2013	31.03.2014
1	AUTHORIZED CAPITAL Authorized Equity Share Capital (35,00,000 Equity Shares of ₹10 each) (Previous Year 35,00,000 Equity Shares of ₹10 each)	35,000,000	35,000,000
		35,000,000	35,000,000
2	ISSUED, SUBSCRIBED & PAID UP CAPITAL 33,60,000 Equity Shares of ₹10 each fully paid up (Previous year 33,60,000 Equity shares of ₹10 each)	33,600,000	33,600,000
	Total in ₹	33,600,000	33,600,000

Note : 4 Reserve & Surplus

Sr. No	Particulars	Balance as at 31.03.2013	Balance as at 31.03.2014
1	Revaluation Reserve (Revaluation of office premises at 1406 Vikram Tower , Rajendra Place, New Delhi)	129,200	129,200
2	Surplus of Statement of Profit & Loss:-		
	Opening Balance	1,833,078	1,227,075
	Add:- Profit During the year	718,272	606,003
	Closing Balance	2,551,351	1,833,078
	Total in ₹	2,680,551	1,962,278

Note : 5 Long Term Borrowing

1	Other Loans & Advances Advances ESCROW		350,000		- 350,000
	Total in ₹		350,000		350,000

Note 6 : Deferred Tax Liabilities (Net)

	Deferred tax Liabilities	86,005		85,753	
	Less- Reversal of Deferred Tax Liabilities	800	85,205	(252)	86,005
	Total in ₹		85,205		86,005

Note : 8 Trades Payable

	Sundry Creditors for Services:				
1	Matrix Processing House		835,982		835,982
2	Intime Spectrum Registrtery Ltd.		33,399		33,399
3	Vikram Tower Maintenance Group		698,301		698,301
4	Chartered Corporate Services		13,440		13,440
5	Link Intime India P. Ltd.		1,537		13,483
	Total in ₹		1,582,659		1,594,605

Note : 9 Other Current Liabilities

1	Audit fee payable	81,901	65,047
2	Director Sitting Fee Payable	60,000	54,000
3	Electricity Expenses Payable	31,602	-
5	Professional Charges Payable	-	32,600
6	Salary Payable	93,834	88,300
7	Bonus Payable	120,000	88,300
8	Misc Expenses Payable	404,750	11,242
9	Jay Ess Worlds Travels	1,182,621	1,026,621
10	Printing and Stationery	132,500	6,845
11	Arora and Bansal (Advance against Property)	2,100,000	2,100,000
Total in ₹		4,207,208	3,472,955

Note : 10 Short Term Provisions

1	Others		
	Provision For Taxation A.Yr.- 2012-13	-	192,612
	Provision For Taxation A.Yr.- 2013-14	-	270,740
	Provision For Taxation A.Yr.- 2014-15	321,997	-
Total in ₹		321,997	192,612

Notes forming part of the financial statements

Note - 3 A Reconciliation of Share Capital

Particulars	Opening Balance	Fresh issue	Bonus	ESOP	Conversion	Buy back	Other changes (give details)	Closing Balance
Equity Shares with Voting Rights :-								
Year ended 31 March, 2014								
- Number of Shares	3,360,000	-	-	-	-	-	-	3,360,000
- Amount (Rs.)	33,600,000	-	-	-	-	-	-	33,600,000
Year ended 31 March, 2013								
- Number of shares	3,360,000	-	-	-	-	-	-	3,360,000
- Amount (Rs.)	33,600,000	-	-	-	-	-	-	33,600,000

(ii) Provide detail of the rights, preferences and restrictions attaching to each class of shares (each class of equity and each class of preference shares) including restrictions on the distribution of dividends and the repayment of capital. Also give details of dividend percentage for each class of preference shares as approved by the Board / agreement with the preference shareholders.

Particulars	As at 31.03.2014				As at 31.03.2013			
	Total No. of Share	No. of Share with Voting Right.	No. of Share with Differential Voting Right.	Restrictions in respect of Distribution of Dividend	Total No. of Share	No. of Share with Voting Right.	No. of Share with Differential Voting Right.	Restrictions in respect of Distribution of Dividend
Equity Share Capital	3,360,000	3,360,000	-	-	3,360,000	3,360,000	-	-

(iii) Details of shares held by each shareholder holding more than 5% shares:-

Class of shares / Name of shareholder	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity Shares with Voting Rights :-				
DD Securities Ltd.	455,000	13.54	455,000	13.54
Aditya Financial Consultants Pvt. Ltd.	420,000	12.50	420,000	12.50
Master Flow Pvt. Ltd.	274,000	8.15	274,000	8.15
Striker Finvest Pvt. Ltd.	240,000	7.14	240,000	7.14

Note : 12 Non Current Investment

					(Amount in Rs.)
Sl. No.	Particulars	2013	2012	2011	2010
1	Investment in Equity Instrument				-
	Unquoted Investment				
	Chilka Fin Trade Pvt. Ltd (1,00,000 shares of Rs. 10 each)	1,000,000		1,000,000	
	VishamberSahai Fin Pvt. Ltd. (30,000 shares of Rs. 10 each)	1,100,000	2,100,000	1,100,000	2,100,000
	Total in ₹		2,100,000		2,100,000

Note : 13 Long Term Loans and Advances

Sl. No.	Particulars	2013	2012	2011	2010
I)	Security Deposit				-
	Unsecured, Considered Good :				
	D.E.S.U.		3,000		3,000
II)	Other Loans & Advances				
	Unsecured :-				
	Considered Good :				
	Hindson Warehousing	204,603		204,603	
	Kinsoft Solutions Pvt. Ltd.	33,000		33,000	
	Santosh Kumar Diwedi	50,000		50,000	
	Vinay Pal Jain	875,783		826,227	
	Hindustan Rasayan Pvt. Ltd.	3,090,142	4,253,528	2,931,823	4,045,653
	Total in ₹		4,256,528		4,048,653

Note : 14 Trade Recievables

Sr. No.	Particulars	31.03.2013	31.03.2014	31.03.2015
1	Outstanding for more than six months Unsecured, Considered Good :			
	Exalt Fin Cap Ltd.	4,314,750	4,314,750	
	Kinsoft Solutions Pvt. Ltd.	10,050	10,050	
	VishamberSahai Fin Pvt. Ltd.	350,000	4,674,800	350,000
2	Outstanding for Less Than Six Months			
	Arora & Bansal		1,081,137	-
	Total in ₹		5,755,937	4,674,800

Note : 15 Cash & Bank Balance

Sr. No.	Particulars	31.03.2013	31.03.2014	Balance at 31.03.2015
1	Cash-in-Hand			
	Cash Balance	6,069		114,273
	Sub Total (A)	6,069		114,273
2	Bank Balance			
	Bank Of India	20,550		12,058
	State Bank of Indore	12,031		9,118
	Sub Total (B)	32,581		21,176
3	Cheques on Hand			
	Sub Total (C)	-		362,423
	Total in ₹ [A + B + C]	38,650		497,872

Note : 16 Short Terms Loans and Advances

Sr. No.	Particulars	Balance as at	Balance as at
---------	-------------	---------------	---------------

		31.03.2014	31.03.2013
1	Others <i>Advance Recoverable in cash or in kind or for value to be considered good</i> VishamberSaha! Financiers Pvt. Ltd.	15,650,000	14,750,000
	Chilka Fin Trade Pvt. Ltd.	1,180,000	1,180,000
	Sanksons Paper Pvt. Ltd.	4,700,000	4,700,000
	Rector Finlease Pvt. Ltd.	5,800,000	5,800,000
	Imprast to Ranjan Kumar	-	225,500
	Total in ₹	27,330,000	26,655,500

Note : 17 Other Current assets

		Balance as at 31.03.2014	Balance as at 31.03.13
1	Service Tax Receivable	4,184	-
2	Income Tax Refund (F. Yr.-2007-2008)	65,437	65,437
3	TDS(F.Yr.-2011-2012)	-	329,300
4	TDS(F. Yr.- 2012-2013)	-	441,246
5	TDS(F. Yr.- 2013-2014)	418,087	-
6	Income Tax Refund for (F.Yr.2012-13)	170,506	-
	Total in ₹	658,214	835,983

Note : 18 Revenue from Operations

Sr. No	Particulars	For the Year Ended 2014	For the Year Ended 2013
	FEEES AND SERVICE CHARGES		
	Business Income	3,630,000	3,898,500
	Total in ₹	3,630,000	3,898,500

Note : 19 Other Income

Sr. No	Particulars	For the Year Ended 2014	For the Year Ended 2013
1	Interest Income		
	Interest Income	225,466	213,665
	Interest on Income Tax Refund	9,562	-
	Total in ₹	235,028	213,665

Note : 20 Employment Benefit Expenses

Sr. No	Particulars	For the Year Ended 2014	For the Year Ended 2013
1	Salary	1,173,500	1,165,083
2	Bonus to Staff	120,000	108,300
3	Staff Welfare Expenses	45,500	120,667
	Total in ₹	1,339,000	1,394,050

Note : 21 Financial Cost

Sr. No	Particulars	For the Year Ended 2014	For the Year Ended 2013
1	Bank Charges	730	2,039
	Total in ₹	730	2,039

Note : 22 Depreciation & Amortised Cost

Sr. No.		For the Year Ended 2014	For the Year Ended 2013
1	Depreciation	28,097	28,097
	Total in ₹	28,097	28,097

Note : 23 Other Expenses

Sr. No.		For the Year Ended 2014	For the Year Ended 2013
1	Advertisement & Publicity	62,486	55,310
2	Newspaper, Books and Periodicals	11,250	43,771
3	Business Promotion	113,500	138,779
4	Travelling and Conveyance	331,700	461,322
5	Car Repair expense and Running Expense	132,500	93,208
6	Postage, Courier and Telegram	17,750	37,126
8	Legal & Professional	28,334	58,494
9	Printing & Stationery	138,000	136,445
10	Telephone Expense	33,500	46,000
11	Repair & Maintenance	150,565	350,327
12	Auditor Remuneration		
	Statutory Audit Fee	16,854	16,854
13	Electricity Expense	164,612	121,610
14	Director Sitting Fee	6,000	6,000
15	Listing Fee	36,487	46,713
16	Property Tax	27,894	26,944
17	Filing Fees	1,500	1,500
18	Misc. Exp	184,800	170,581
	Total in ₹	1,457,732	1,810,984

FIXED ASSETS AS AT 31.03.2014 (AS PER INCOME TAX ACT)

Particulars	Rate	W.D.V.	ADDITION		Sale/Trf.	TOTAL	Depreciatio	W D V
		As On 01.04.20 13	Before 01.10.2013	After 01.10.201 3		As On 31.03.2014	n For the Year	as on 31.03.2014
Office Building 1406 Vikram Tower								
Rajendra Place	10%	80,936	-	-	-	80,936	8,094	72,842
Plant & Machinery	15%	16,841	-	-	-	16,841	2,526	14,315
Furniture and Fixture	10%	87,077	-	-	-	87,077	8,708	78,370
Vehicles	15%	41,200	-	-	-	41,200	6,180	35,020
		226,054	-	-	-	226,054	25,507	200,547

Note : 11 Fixed Ass

Amount in ₹

Sr. No	Particulars	Rate	Gross Block		Value at the end	Depreciation		Value at the end
			Value at the beginning	Addition during the year		Value at the beginning	During the year	
I	<u>Tangible Assets</u> Office Building- 1406 Vikram Tower		2,868,250	-	2,868,250	10,697	-	2,656,224
	Plant and Machinery (Others)	4.75%	366,320	-	366,320	17,400	-	60,163
	SUB TOTAL (A)		3,234,570.00	-	3,234,570.00	28,097.00	-	2,716,387.00

2,688,290

The Cost of Office Building includes Rs. 22,12,000/- on account of revaluation of office premises at 1406, Vikram Tower, Rajendra Place, New Delhi. Depreciation has been charged only on the original cost of such premises.

CALCULATION OF DEFERRED TAX

As on			Timing Difference	Inc. tax Rate	Tax on Timing Diff.	Asset/ Liab.
	As per Books of Accounts	As per Income Tax Act			DT Asset/ (D.T. Liab.)	
	A	B	C=A-B	D	E=C x D	
<u>1. Accumulated Depreciation</u>						
31.03.2013	518,183	796,516	278,333	30.900%	86,005	Liability
31.03.2014	546,280	822,023	275,743	30.900%	85,205	Liability
	28,097	25,507		Diff. for yr	(800)	Asset
<u>2. Provisions</u>						
31.03.2013	-	-	-	30.900%	-	Assets
31.03.2014	-	-	-	30.900%	-	Asset
				Diff. for yr	-	Asset
<u>3. Accumulated Unabsorbed Depreciation</u>						
31.03.2013 Based on prudence Restricted to	-	-	-		-	
31.03.2013 Based on prudence Restricted to	-	-	-		-	Asset
				Diff. for yr	-	Liabilities

3. Total (net Entry)						
31.03.2013					86,005	Liability
31.03.2014					85,205	Liability
				Diff. for yr	(800)	Liability

Notes:

For Entry Purposes	31.03.2014	31.03.2013
Total Deferred Tax Asset	0	0
Total Deferred Tax Liability	85205	86005
Net Deferred Tax Assets	(85205)	(86005)

FOR NOTES TO THE ACCOUNTS

S. No.	Particulars	As at 31.03.2014 (Rs)	As at 31.03.2013 (Rs)
(A)	Deferred Tax Liability on account of Depreciation	85,205	86,005
(B)	Deferred Tax Asset on account of		
i.	Provisions	0	-
ii.	Brought Forward Losses	-	-
iii.	Unabsorbed Depreciation	-	-
	Total (B)	0	-
	Net Deferred Tax Asset	(85,205)	(86,005)

ATTENDANCE SLIP**KINETICS TRUST LIMITED**

Regd. Office: 527-R, City Tower, IInd Floor, Model Town, Ludhiana-141002

Corporate Office: 1406, Vikram Tower, Rajendra Place, New Delhi-110008

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.

I hereby record my presence at the 22nd ANNUAL GENERAL MEETING of the company held on Saturday, the 20th September, 2014 AT 12.30 P.M., at 527R, City Tower, Second Floor, Model Town, Ludhiana,

REGD.FOLIO NO.....

NO.OF SHARES.....

NAME OF THE SHAREHOLDERS (IN BLOCK LETTERS)

Signature of the Shareholder/Proxy

.....TEAR HERE

.....

PROXY FORM**KINETIC TRUST LIMITED**

Regd. Office: 527-R, City Tower, IInd Floor, Model Town, Ludhiana-141002

Corporate Office: 1406, Vikram Tower, Rajendra Place, New Delhi-110008

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 and vote for me/us and my/our behalf at the 22nd ANNUAL GENERAL MEETING of the company held on Saturday, the 20th September, 2014 AT 12.30 P.M., at 527-R, City Tower, Second Floor, Model Town, Ludhiana and at any adjournment thereof.

Affix Re. I-
Revenue
stamp

Notes: The form of Proxy, duly signed across the revenue stamp reach Registered office of the company, not less than 48 hours before the time fixed for the meeting.