



**KINETICTRUST LIMITED**

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**24TH**

**Annual Report**

**2015–2016**

<b>BOARD OF DIRECTORS</b>	
Mr. Vinod Bansal	Director
Mr. Rajesh Arora	Director
Mr. Ashok Juneja	Director
Mr. Vinay Aggarwal	Director
Mrs. Kiran Duggal	Director
<b>BANKERS</b>	
State Bank of India	Bank of India
<b>AUDITORS</b>	
Mr. Neelesh Kumar Jain A-9/1, 3rd Floor, Acharya Niketan Market, MayurVihar, Delhi 110091	<b>LEGAL ADVISORS</b>  Mr. PramodVerma
<b>REGISTERED OFFICE</b>	
527-R, City Tower, IInd Floor, Model Town, Ludhiana-141002 TEL: 0161 5000524, 2428238 FAX: 0161 2430029	<b>CORPORATE OFFICE</b>  1406, Vikram Tower 16 Rajendra Place New Delhi-110008 Tel: 66402000-4, Email: info@ktl.co.in
<b>SHARE TRANSFERS AND OTHER COMMUNICATIONS</b>	
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: 011-41410592,93,94 Email: <a href="mailto:bharatb@linkintime.com.in">bharatb@linkintime.com.in</a>	<b>INVESTOR'S GRIEVANCES</b>  Mr. Ranjan Kumar Compliance Officer, Kinetic Trust Limited 1406, Vikram Tower 16 Rajendra Place New Delhi-110008

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**FORWARD-LOOKING STATEMENT**

This forward-looking statements includes comments with respect to our objectives and strategies and the results of our operations and business. 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’, ‘continue’ 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, numerous assumptions, and descriptions of opportunities, and inaccurate assumptions and both general and specific. 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, change circumstances, future events, changes in the company’s expectations or otherwise.

## NOTICE

Notice is hereby given that 24<sup>TH</sup> Annual General Meeting of the Members of Kinetic Trust Limited will be held as scheduled below:

Day : Thursday  
Date : 29.09.2016  
Time : 12.30 p.m.  
Place : 527R, City Tower, 2<sup>nd</sup> Floor, Model Town, Ludhiana-141002

To transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2016 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 Mrs. Kiran Duggal (DIN:[06781235](#)) who retires by rotation and, being eligible, offers herself for re-appointment.

### SPECIAL BUSINESS

#### 3. Appointment of Auditors

**To consider and if thought fit to pass with or without modification(s) the following resolution as a Special 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, Mr. Neelesh Kumar Jain, Chartered Accountant (Membership No. 511815), be and is hereby appointed as Auditor of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the AGM of the Company to be held in the year 2021 (subject to ratification of his appointment at every AGM), at such remunerations as may be mutually agreed between the Board of Directors of the Company and the Auditors."

### NOTES

1. The relative Explanatory Statement pursuant to section 102 of the Companies Act, 2013 (Act) respect of the business under Item No. 3 of the Notice, is annexed hereto.

**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.

2. 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 23<sup>rd</sup> September, 2016 up to 29<sup>th</sup> September, 2016, both days inclusive.

3. 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.
4. 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.
5. 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.
6. The Notice of the AGM along with the Annual Report 2015-16 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.
7. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed there under and the clause 35B of the listing agreement, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all the resolutions set forth in this Notice. In order to enable its Members, who do not have the access to e-voting facility to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, the Company is enclosing an instruction for e-voting are given here in below. Resolution(s) passed by Members through e-voting are deemed to have been passed as if they have been passed at the AGM.
8. Mr. Ved Parkash Practicing Company Secretary CP NO. 15927, FCS No.3880 has been appointed as the Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner.
9. The Members who cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.

### **PROCESS FOR MEMBERS OPTING FOR E-VOTING**

In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Clause 35B of the Listing Agreement, the Company will be providing members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Securities Limited (CDSL). The detailed procedure to be followed in this regard has been given in Annexure-A to the notice. The members are requested to go through them carefully.

### **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 No.3 of the accompanying Notice:

#### **Item No. 3:**

M/s S.P. Monga & Co., (ICAI Firm Registration No. 012174N), Chartered Accountants (CAs), New Delhi were appointed as the statutory auditors of the Company for period of three years at the Annual General Meeting (AGM) of the Company held on September 20, 2014. The Auditors have shown their unwillingness to continue as Auditors of the Company due to their preoccupation.

Mr. Neelesh Kumar Jain, Chartered Accountant has offered his services as Auditor of the Company and the Board of Directors have considered to appoint Mr. Neelesh Kumar Jain (Membership No. 511815) as Auditor of the Company for a term of five years i.e., from the conclusion of this Annual General Meeting till the conclusion of 29<sup>th</sup> Annual General Meeting to be held in the year 2021.

Accordingly, approval of the members is being sought for the proposal contained in the Resolution set out at item no. 3 of the Notice.

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 KMPs is concerned or interested in the Resolution at Item No. 3 of the accompanying Notice.

## Annexure “A” to the notice

### Instructions for the voting through electronic means

- (i) The voting period begins on <9:00 a.m. on Monday, the 26<sup>th</sup> September, 2016 > and ends on <5:00 p.m. on Wednesday, the 28<sup>th</sup> September, 2016 >. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <22<sup>nd</sup> September, 2016>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.</li> </ul>
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> <li>Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>
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- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password& enter the details as prompted by the system.
- (xviii) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.



- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

- (xix) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

#### Other Instruction

i. The e-voting period commences on 26<sup>th</sup> September, 2016 and ends on 28<sup>th</sup> September, 2016. During this period, Members holding shares either in physical form and dematerialized form, as on 22<sup>nd</sup> September, 2016 i.e. cut-off date, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he/she shall not be allowed to change it subsequently or cast vote again.

ii. The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting.

iii. Any person, who acquires shares of the Company and becomes a member of the Company after Dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and Password by sending a request at [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forget your password, you can reset your password by using "Forgot User Details/Password" option available on [www.evotingindia.com](http://www.evotingindia.com).

iv. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, would count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall counter sign the same.

v. The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.ktl.co.in](http://www.ktl.co.in) and on the website of CDSL [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited ("BSE") where the shares of the Company are listed.

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

**Sd/-**

**Vinod Bansal**

**Director**

**DIN: 00044111**

Date: 12/08/2016

Place: New Delhi

## KINETIC TRUST LIMITED

[Corporate Identification Number – L67120PB1992PLC012532]

Registered Office: 527R, City Tower, Second Floor, Model Town, Ludhiana-  
141002(Pb) India

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

Tel.: 66402000-4; Fax: 25860460 Email: [kintrust@gmail.com](mailto:kintrust@gmail.com)Twenty Fourth Annual General Meeting to be held on Thursday  
29<sup>th</sup> September, 2016 at 12:30 p.m.at  
527R, City Tower, Second Floor, Model Town. Ludhiana- 141002

## ATTENDANCE SLIP

DPID-CLID /Folio No. -

Name of Shareholder (s) -

Address -

I/ We certify that I am / we are Member(s) / Proxy of the Member(s) of the Company holding \_\_\_\_\_ shares.

I hereby record my presence at the Twenty Fourth Annual General Meeting of the Company to be held on Thursday 29<sup>th</sup> September, 2016 at 12:30 p.m.at 527R, City Tower, Second Floor, Model Town, Ludhiana-141002......  
Signature of Member / Proxy

## Notes:

1. A member or his duly appointed Proxy wishing to attend the meeting must complete this Attendance Slip and hand it over at the entrance.
2. Name of the Proxy in Block letters..... (in case the Proxy attends the meeting)
3. Those who hold shares in Demat form to quote their Demat Account No. and Depository Participant (D.P.) ID. No.
4. Shareholders/proxy holders desiring to attend the meeting may bring his/her copy of Annual Report for reference at meeting.

## Electronic Voting Particulars

Electronic Voting Sequence No. (EVSN)	User ID	Sequence Number

**Note:** Please read the instructions printed in the Notice dated August 12, 2016 of the Twenty Fourth Annual General Meeting. The voting period starts from 9:00 a.m. on Monday 26<sup>th</sup> September, 2016 and ends at 05:00 p.m. 28<sup>th</sup> September, 2016. The voting module shall be disabled by CDSL for voting thereafter.

## Form No. MGT-11

## Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L67120PB1992PLC012532

KINETIC TRUST LIMITED

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

Name of the member(s):

Registered Address:

E-mail Id:

Folio No/ Client Id:

DP ID:

I/We, being the member (s) of ..... shares of the above named company, hereby appoint:

1.	Name	
2.	Address	
3.	Email id	
4.	Signature	

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24<sup>th</sup> Annual General Meeting of the **Kinetic Trust Limited**, to be held on the 29<sup>th</sup> day of September, 2016 At 12:30 p.m. at 527-R, City Tower, Second Floor, Model Town, Ludhiana and at any adjournment thereof in respect of such resolutions as are indicated below:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2016, together with Reports of the Board of Directors and the Auditors thereon.
2. Re-appointment of Mrs. Kiran Duggal as a Director of the Company, who retires by rotation.
3. Appointment of Auditors.

Signed this..... day of..... 2016

Affix  
Revenue  
stamp

Signature of shareholder

Signature of Proxy holder(s)

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.

## DIRECTOR'S REPORT

Dear Shareholders,

On behalf of the Board of Directors, it is our privilege and honor to present the 24th Annual Report of the company on the business and operations of the company along with Audited Financial Statements for the financial year ended March 31, 2016.

### FINANCIAL RESULTS

The financial highlights of the company in the financial year 2015-16 as compared to the previous year are tabled below for your consideration:

PARTICULARS	Amount in` (Rs. Lacs)	
	CURRENT YEAR	PREVIOUS YEAR
Revenue from operations	39.31	38.02
Other Income	-	-
Profit (Loss)/before extraordinary Items and tax	8.79	10.71
Less extraordinary items	-	-
Profit/(loss) before tax	8.79	10.71
Dividend	Nil	Nil

### PERFORMANCE OF THE COMPANY

The Directors of the company shall continue their endeavor to further improve the trend of growth in the coming years.

### AUDITORS

Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules framed thereunder, M/s.S. P. Monga & Co., Chartered Accountants, were appointed as statutory auditors of the Company from the conclusion of the 22nd Annual General Meeting (AGM) of the Company held on 20<sup>th</sup> September 2014 till the conclusion of the Twenty Fifth AGM to be held in the year 2017. M/s. S. P. Monga & Co., Chartered Accountants have shown their unwillingness to be re-appointed as Auditors of the Company, due to their pre-occupation.

The Company has received a notice from member along with a letter u/s 139 of the Companies Act, 2013 informing the eligibility signifying his intention to appoint Mr. Neelesh Kumar Jain, Chartered Accountant, as the Auditor of the Company. In terms of the provision of section 139 of the Companies Act, 2013 the appointment of Auditors, the Company requires the approval of General Meeting by way of Special resolution.

Therefore, the Board recommend to pass necessary resolution by way of special resolution to appoint Mr. Neelesh Kumar Jain, Chartered Accountant, as the Auditor of the Company to hold office of the Auditors of the Company for the term of 5 years from the conclusion of this Annual General Meeting till the conclusion of the 29th Annual General Meeting to be held in the year 2021 on the remuneration as may be fixed by the Board.

### DIRECTORS

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. Mr. Ashok Juneja and Mr. Vinay Aggarwal were appointed as independent Directors at the annual general meeting of the company held on 20<sup>th</sup> September 2014.

The terms and conditions of appointment of independent directors as per Schedule IV of the Act. They have submitted a declaration that each of them meets the criteria of independence as provided in Section 149(6) of the Act and there has been no change in the circumstances which may affect their status as independent director during the year.

Mrs. Kiran Duggal, Director, retires by rotation and being eligible has offered herself 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, 2016 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, 2016 the applicable accounting standards read with requirements set out in the Companies Act, 2013 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 31st, 2016 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, 2013 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.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2015-16.

## **AUDITORS' REPORT AND SECRETARIAL AUDITORS' REPORT**

The auditors' report and secretarial auditors' report does not contain any qualifications, reservations or adverse remarks. Report of the Secretarial Auditor is given as an annexure-B which forms part of this 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.

#### **FIXED DEPOSITS:**

Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

#### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION 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 (2015-2016)	Previous Year (2014-2015)
(a) Foreign Exchange Inflow	Nil	Nil
(b) Foreign Exchange Outflow	Nil	Nil

#### **RISK MANAGEMENT**

As per the Companies Act, 2013 and Listing Agreement that 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.

#### **NUMBER OF BOARD MEETINGS**

The Board met four times during the Financial Year, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The Intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.

#### **BOARD EVALUATION**

The Board adopted a formal mechanism for evaluating its performance and as well as that of its Committees and individual Directors, pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under Clause 49 of the Listing Agreements ("Clause 49").

The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the Board composition and structure, effectiveness of board processes, information and functioning etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings etc.

The Board and the nomination and Remuneration Committee (NRC) reviewed the performance of the individual directors on the basis of the criteria such as contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc., In addition, the Chairman was also evaluated on the key aspects of his role.

In the separate meeting of independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting of that followed the meeting of the independent Directors, at which the performance of the Board, its committees and individual directors was also discussed.

#### **Policy on directors' appointment and remuneration and other details.**

The Company's policy on directors' appointment and remuneration and other matters provided in Act has been disclosed in the corporate governance report, which forms part of the directors' report.

#### **Internal financial control systems and their adequacy**

The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms part of this report.

#### **Audit committee**

The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report.

#### **Particulars of loans, guarantees and investments**

The particulars of loans, guarantees and investments have been disclosed in the financial statements.

#### **Extract of Annual Return**

As provided under Section 92(3) of the Act, the extract of annual return is given in **Annexure A** to the board's report the prescribed Form MGT-9, which forms part of this report.

#### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of Section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto is disclosed in Form No. AOC -2 attached as Annexure C.



**Disclosure requirements**

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, which form part of this report.

The company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including directors of the company to report genuine concerns. The provisions of this policy are in line with the provisions of the Section 177(9) of the Act and the revised Clause 49 of the Listing Agreements with stock exchanges.

**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.

**For and on behalf of the Board of Directors**  
**Sd/-**

**Vinod Bansal**  
**Director**  
**DIN: 00044111**

Date: 12/08/2016  
Place: New Delhi

**FORM NO MGT-9  
EXTRACT OF ANNUAL RETURN**

**As on the financial year ended on 31.03.2016**

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

**I. REGISTRATION AND OTHER DETAILS:**

<b>SNo.</b>	<b>Particulars</b>	<b>Details</b>
1.	CIN	L67120PB1992PLC012532
2.	Registration date	12/08/1992
3.	Name of the company	Kinetic Trust Limited
4.	Category / sub-category of the company	Company limited by shares/ Indian Non- Government Company
5.	Address of the registered office and contact details	527R, City Tower, 2nd Floor, Ludhiana, Punjab
6.	Whether listed company	YES
7.	Name, address and contact details of registrar and transfer agent	M/s Link Intime India (P) Ltd. 44, Community Centre, IInd Floor, Naraina Industrial Area Phase-1, Near PVR Naraina, New Delhi-110028 Tel: 011-41410592,93,94 Email: bharatb@linkintime.com.in

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

<b>Sl. No.</b>	<b>Name and description of main products / services</b>	<b>NIC code of the product / service</b>	<b>% to total turnover of the company</b>
1.	Other Financial Services	8049	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

<b>Sl. No.</b>	<b>Name and address of the company</b>	<b>CIN / GLN</b>	<b>Holding / subsidiary / associate</b>	<b>% of shares held</b>	<b>Applicable section</b>
1.	NA	NA	NA	NA	NA
2.	NA	NA	NA	NA	NA

#### IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAK UP AS PERCENTAGE OF TOTAL EQUITY)

##### (i) Category-wise share holding

CATEGORY OF SHAREHOLDERS	NO. OF SHARES AT THE BEGINNING OF THE YEAR				NO. OF SHARES HELD AT THE END OF THE YEAR				% CHANGE DURING THE YEAR
	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	DEMAT	PHYSICAL	TOTAL	% OF TOTAL SHARES	
A. PROMOTERS									
(1) Indian									
a) Individuals / HUF	-	314000	314000	9.35	-	314000	314000	9.35	-
b) Central Govt/ State Govt(s)	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	2086000	2086000	62.08	-	2086000	2086000	62.08	-
d) FI/ Banks	-	-	-	-	-	-	-	-	-
e) Any Other (Specify)	-	-	-	-	-	-	-	-	-
Sub Total (A)(1)	-	2400000	2400000	71.43	-	2400000	2400000	71.43	-
(2) FOREIGN									
a) NRI- Individuals	-	-	-	-	-	-	-	-	-
b) Other- Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub Total(A)(2)	-	-	-	-	-	-	-	-	-

## KINETIC TRUST LIMITED

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Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+ (A)(2)	-	2400000	2400000	71.43	-	2400000	2400000	71.43	-
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) INSTITUTIONS</b>									
Mutual Funds/ UTI	-	-	-	-	-	-	-	-	-
FI / Banks	-	-	-	-	-	-	-	-	-
Central Govt. / State Govt.(s)	-	-	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-
FIs	-	-	-	-	-	-	-	-	-
Foreign venture capital funds	-	-	-	-	-	-	-	-	-
Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub Total(B)(1)</b>	-	-	-	-	-	-	-	-	-
<b>(2) Non-institutions</b>									
a) Bodies Corporate	3696	74900	78596	2.3392	1396	74900	76296	2.270	-0.0685
(i) Indian									
(ii) Overseas									
b) Individuals									
(i) Individual Shareholders holding nominal share capital up to Rs 1 lakh	120304	564500	684804	20.3811	122554	563000	685554	20.403	0.0223 %
(ii) Individual Shareholders holding nominal	52000	130900	182900	5.4435	52000	130900	182900	5.4435	0

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share capital in excess of Rs. 1 lakh.									
c) Others (specify)	-	-	-	-	-	-	-	-	-
CLEARING MEMBER	600	-	600	0.0179	300	-	300	0.00089	-0.0090
DIRECTORS/ RELATIVES	-	13100	13100	0.39	-	13100	13100	0.39	-
<b>Subtotal B(2)</b>	<b>176600</b>	<b>783400</b>	<b>960000</b>	<b>28.57</b>	<b>178100</b>	<b>781900</b>	<b>960000</b>	<b>28.57</b>	<b>-</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>176600</b>	<b>783400</b>	<b>960000</b>	<b>28.57</b>	<b>178100</b>	<b>781900</b>	<b>960000</b>	<b>28.57</b>	<b>-</b>
<b>C. Shares held by Custodians for GDRs &amp; ADRs</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>176600</b>	<b>3183400</b>	<b>3360000</b>	<b>100</b>	<b>178100</b>	<b>3181900</b>	<b>3360000</b>	<b>100</b>	<b>-</b>

**(ii) Shareholding of promoters**

S. N o.	Shareholder's name	Shareholding at the beginning of the year			Shareholding at the end of the year			
		No. of shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged / encumbered to total shares	
1.	D.D SECURITIES LTD	455000	13.54	-	455000	13.54	-	-
2.	ADITYA FINANCIAL CONSULTANTS (P) LTD	420000	12.50	-	420000	12.50	-	-
3.	FLOW (P) LTD	274000	8.15	-	274000	8.15	-	-
4.	STRIKER FINVEST (P) LTD	240000	7.14	-	240000	7.14	-	-

5.	SANKSONS PAPERS PRIVATE LIMITED	167000	4.97	-	167000	4.97	-	-
6.	AID-ANGLE FINVEST PVT LTD.	160000	4.76	-	160000	4.76	-	-
7.	P H BUILDERS PRIVATE LIMITED	160000	4.76	-	160000	4.76	-	-
8.	RECTOR FINLEASE & SECURITIES (P) LTD	160000	4.76	-	160000	4.76	-	-
9.	SANJEEV KHURANA	64300	1.91	-	64300	1.91	-	-
10.	DEEPAK GUPTA	61300	1.82	-	61300	1.82	-	-
11.	RAJESH ARORA	52925	1.58	-	52925	1.58	-	-
12.	VINOD BANSAL	50325	1.50	-	50325	1.50	-	-
13.	ANGEL FINVEST (P) LTD	50000	1.49	-	50000	1.49	-	-
14.	S KHURANA & SONS (HUF)	50000	1.49	-	50000	1.49	-	-
15.	MEENA KHURANA	35000	1.04	-	35000	1.04	-	-
16.	NARESH WADHWA	50	-	-	50	-	-	-
17.	RITU GUPTA	50	-	-	50	-	-	-
18.	SANGITA BANSAL	50	-	-	50	-	-	-

**(iii) Change in promoter's shareholding**

S.No.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	NA	NA	NA	NA
	Date wise increase / decrease in promoters shareholding during the year specifying the	NA	NA	NA	NA

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	reasons for increase / decrease				
	At the end of the year	NA	NA	NA	NA

**(iv) Shareholding pattern of top ten shareholders( other than directors, promoters and holders of GDRs and ADRs):**

S.No.		Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>For each of the top 10 shareholders</b>				
<b>1</b>	Sanjiv Nagindas Parekh	30074	0.8951		
	At the end of the year			29262	0.8709
<b>2</b>	Chilka Fin Trade Pvt. Ltd	23800	0.7083		
	At the end of the year			23800	0.7086
<b>3</b>	Navin Kumar Tayal	21300	0.6339		
	At the end of the year			21300	0.6339
<b>4</b>	Keshav Tayal	17800	0.5298		
	At the end of the year			17800	0.5298
<b>5</b>	Suresh Kumar	15200	0.4524		
	At the end of the year			15200	0.4524
<b>6</b>	Ajay Garg	13000	0.3869		
	At the end of the year			13000	0.3869
<b>7</b>	Ajay Gupta	13000	0.3869		
	At the end of the year			13000	0.3869
<b>8</b>	Falguni M. Mehta	11994	0.3570		
	At the end of the year			11994	0.3570
<b>9</b>	Vinod H Patel	11900	0.3542		
	At the end of the year			11900	0.3542
<b>10</b>	Sarbjit Singh	11500	0.3423		
	At the end of the year			11500	0.3423

**(v) Shareholding of directors and key managerial personnel:**

S.No.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>For each of the directors and KMP</b>				
	At the beginning of the year	103250	4.30	103250	4.30
	Date wise increase / decrease in promoters shareholding during the year specifying the reasons for increase / decrease	----	---	103250	4.30
	At the end of the year	103250	4.30	103250	4.30

**V. INDEBTEDNESS(IN RUPEES)****Indebtedness of the company including interest outstanding/accrued but not due for payment**

	Secured loans excluding deposits	Unsecured loans	deposits	Total indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
(i) Principal amount	-	3,50,000	NIL	3,50,000
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	3,50,000	-	-
<b>Change in indebtedness during the financial year</b>				
• Addition	-	-	-	-
• Reduction	-	-	-	-
<b>Net change</b>	-	-	-	-
<b>Indebtedness at the end of the financial year</b>	-		-	
(i) Principal amount		3,50,000		3,50,000



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(ii) Interest due but not paid	-	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-	-
<b>Total (i+ii+iii)</b>	-	3,50,000	-	3,50,000	

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. REMUNERATION TO MANAGING DIRECTOR, WHOLE TIME DIRECTORS AND/OR MANAGER:

S.No.	Particulars of remuneration	Name of MD / Manager / WTD		Total Amount
1.	Gross salary	-	-	-
	a) Salary as per provisions contained in section 17 (1) of the income-tax act, 1961			
	b) Value of perquisites u/s 17(2) income tax act, 1961			
	c) Profits in lieu of salary under section 17(3) income tax act, 1961			
2.	Stock option	-	-	-
3.	Sweat equity	-	-	-
4.	Commission	-	-	-
	- as % of profit			
	- Others, specify			
5.	Others, please specify	-	-	-
	Total	-	-	-

### B. REMUNERATION TO OTHER DIRECTORS

S.No.	Particulars of Remuneration	Name of directors		Total amount
		Ashok Juneja	Vinay Aggarwal	
	Independent directors	-	-	-
	• Fee for attending board committee meetings			
	• Commission			
	• Others, please specify			
	Total (1)	-	-	-
	Other non-executive directors	-	-	-
	Total (2)	-	-	-
	Total (b) =(1)+(2)	-	-	-
	Total managerial Remuneration	-	-	-
	Overall ceiling as per the act	-	-	-

### C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD / MANAGER / WTD: NA

S.No.	Particulars of remuneration	Key managerial personnel			
		CEO	Company secretary	CFO	TOTAL
6.	Gross salary	-	-	-	-
	d) Salary as per provisions contained in section 17 (1) of the income-tax act, 1961				

	e) Value of perquisites u/s 17(2) income tax act, 1961				
	f) Profits in lieu of salary under section 17(3) income tax act, 1961				
7.	Stock option	-	-	-	-
8.	Sweat equity	-	-	-	-
9.	Commission - as % of profit - Others, specify				
10.	Others, please specify	-	-	-	-
	Total	-	-	-	-

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: NIL**

TYPE	Section of the Companies Act	Brief description	Details of penalty / punishment / compounding fees imposed	Authority [RD / NCLT / COURT]	APPEAL made, if any
A. COMPANY					
Penalty			NIL		
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

**Annexure “B” to Board’s Report****Form No. MR-3****SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> March, 2016

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

**SECRETARIAL AUDIT REPORT**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2016

To,  
The Members,  
Kinetic Trust Limited

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Kinetic Trust Limited**. (Hereinafter called “**the Company**”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2016, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Kinetic Trust Limited** for the financial year ended on 31<sup>st</sup> March, 2016, according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made there under;
- ii. The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- vi. Prudential Regulations applicable to NBFCs.

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India.
- ii. The Listing Agreements entered into by the Company with Bombay Stock Exchange, Ludhiana Stock Exchange and Delhi Stock Exchange.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

#### **I further report that**

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

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

Place: New Delhi

Date: 25/05/2016

Signature:  
Name of the Company Secretary in Practice:

ACS No:

C P No:

Sd/-

**VedParkash**

**3880**

**15927**

**Annexure “C” to Board’s Report****Form No. AOC-2**

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

**Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm’s length transactions under third proviso thereto.**

Details of material contracts or arrangement or transactions at arm’s length basis

<b>S.No.</b>	<b>Particulars</b>	<b>Details</b>
a	Name of the related party	Arora and Bansal
	Nature of relationship	Two Directors of the company are Partners of the Firm Arora and Bansal
b	Nature of Contract/arrangement/transaction	Consultancy Services
c	Duration of the Contracts/arrangements/transaction	Yearly
d	Salient terms of the Contracts or arrangement or transaction including the value	Quarterly payments
e	Justification for entering into such contracts or arrangements or transaction	The transactions related to consultancy services are at arm’s length.
f	Dates of approval of Board	6 <sup>th</sup> February 2015
g	Amount paid as advances, if any	-

**For Kinetic Trust Limited**

SD/-  
**(Vinod Bansal)**  
 Director  
 DIN: 00044111

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

The revitalization of global economy continued during the calendar year 2016 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 2016.

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013, 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**  
**DIN: 00044111**

**CORPORATE GOVERNANCE REPORT****(Forming part of Director's Report for the year ended 31<sup>st</sup> March 2016)**

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 31<sup>st</sup> March 2016 is as follows:

Category	No. of Directors	%
Promoters/ Executive Directors/Woman Director	3	60%
Independent Non-executive Directors	2	40%

- Four board meetings were held during the financial year and the gap between two meetings does not exceed 120days. The dates on which the meetings were held are as follows: 26<sup>th</sup> May, 2015, 13<sup>th</sup> August, 2015, 13<sup>th</sup> November 2015, 12<sup>th</sup> February, 2016.
- None of the directors on the board hold directorships in more than ten public companies. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a director. Necessary disclosures regarding committee positions in other public companies as on March 31, 2016 have been made by the directors. None of the directors are related to each other.
- Independent directors are non-executive directors as defined in the Listing Agreements entered into with the Stock Exchanges. The maximum tenure of the independent directors is in compliance with the Companies Act, 2013 ("Act"). All the Independent Directors have confirmed that they meet the criteria as mentioned under clause 49 of the Listing Agreement and Section 149 of the Act.

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	-	-
Rajesh Arora	Promoter/ Executive	4	Yes	-	-
Ashok Juneja	Independent Non- Executive	4	No	1	-
Vinay Aggarwal	Independent Non- Executive	4	No	-	-
Kiran Duggal	Executive Director	4	Yes	-	-

## COMMITTEE OF THE BOARD

### Audit Committee

I The audit committee of the Company is duly constituted in line with the provisions of Clause 49 of the Listing Agreements entered into with the stock exchanges read with Section 177 of the Act.

II. The terms of reference of the audit committee are as under:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:
  - Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section 3 of section 134 of the Act.
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by management.
  - Significant adjustments made in the financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of any related party transactions.
- Scrutiny of inter-corporate loans and investments
- Valuation of undertakings or assets of the Company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems
- Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;



- Establish a vigil mechanism for directors and employees to report genuine concerns in such manner as may be prescribed
- To review the functioning of whistle blower mechanism.
- To mandatorily review the following information:
  - Management discussion and analysis of financial condition and results of operations;
  - Statement of significant related party transactions (as defined by the audit committee) submitted by management;
  - Management letters / letters of internal control weaknesses issued by the statutory auditors;

**Appointment & Remuneration Committee and Policy:**

The appointment and remuneration committee has been duly constituted. However, the Directors are not paid any remuneration as on date. The company has formed Nomination & Remuneration committee under the provisions of section 178 of the Companies Act, 2013 and Companies (Meetings of Board and its Powers) Rules, 2014.

The Company has paid sitting fees Rs. 6000/- per annum to Directors during the financial year 2015-16.

**SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE**

The Company has a shareholders/investors grievance committee of directors to look into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend /notices / annual reports, etc. The nomenclature of the said committee was changed to stakeholders' relationship committee in the light of provisions of the Act and revised clause 49 of the Listing Agreement.

I Meeting of the stakeholders' relationship committee was held during the year on March 31, 2016.

II The Stakeholders' Relationship Committee is duly constituted.

III Name, designation and address of Compliance Officer:

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

**DISCLOSURES**

The company has provided consultancy services to its associate firm. 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
			527R, City Tower 2 <sup>nd</sup> Floor, Ludhiana
2011-12	28.09.2012	12.30 P.M.	
2012-13	21.09.2013	12.30 P.M.	
2013-14	20.09.2014	12.30 P.M.	
2014-15	29.09.2015	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 2015-16.

**MEANS OF COMMUNICATION**

The un-audited quarterly results are published in the newspapers and are not being sent to each household of shareholders and are displayed at the website of the Company. 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	29.09.2016
Time	12:30 P.M.
Venue	527R, City Tower 2 <sup>nd</sup> Floor, Ludhiana

As per 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 29<sup>th</sup> September, 2016.

**(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 23<sup>rd</sup> September, 2016 up to 29<sup>th</sup> September, 2016(both days inclusive). The company has not declared any dividend.

**(d) Listing on Stock Exchange**

The Equity shares of the Company are listed on:

- Bombay 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 Naraina,  
New Delhi-110028  
Tel.: 011-41410592,93,94  
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

<b><u>Electronic/Physical</u></b>	<b><u>No. of Shareholders as on 31<sup>st</sup> March, 2016</u></b>
NSDL	75998
CDSL	102102
Physical	3181900
Total	3360000

**(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, IInd Floor,  
Naraina Industrial Area,  
Phase-1, Near PVR Naraina  
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.

**(K) Shareholding Pattern as on 31<sup>st</sup> March 2016**

Kinetic Trust Limited										
Sr No	Category of Shareholders	Shareholding at the beginning of the year - 2015				Shareholding at the end of the year - 2016				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	Shareholding of Promoter and Promoter Group									
[1]	Indian									
(a)	Individuals / Hindu Undivided Family	0	327100	327100	'9.7351	0	327100	327100	'9.7351	'0.0000
(b)	Central Government / State Government(s)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(c)	Financial Institutions / Banks	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(d)	Any Other (Specify)									
	Bodies Corporate	0	2086000	2000000	'62.0833	0	2086000	2000000	'62.0833	'0.0000
	Sub Total (A)(1)	0	2413100	2000000	'71.8185	0	2413100	2000000	'71.8185	'0.0000
[2]	Foreign									
(a)	Individuals (Non-Resident Individuals / Foreign Individuals)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(b)	Government	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000

(c)	Institutions	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(d)	Foreign Portfolio Investor	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(e)	Any Other (Specify)									
	Sub Total (A)(2)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
	Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)	0	2413100	2000000	'71.8185	0	2413100	2000000	'71.8185	'0.0000
(B)	Public Shareholding									
[1]	Institutions									
(a)	Mutual Funds / UTI	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(b)	Venture Capital Funds	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(c)	Alternate Investment Funds	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(d)	Foreign Venture Capital Investors	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(e)	Foreign Portfolio Investor	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(f)	Financial Institutions / Banks	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(g)	Insurance Companies	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(h)	Provident Funds/ Pension Funds	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(i)	Any Other (Specify)									
	Sub Total (B)(1)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
[2]	Central Government/ State Government(s)/ President of India									

	Sub Total (B)(2)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
[3]	Non-Institutions									
(a)	Individuals									
(i)	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	120304	564500	684804	'20.3811	100000	563000	685554	'20.4034	'0.0223
(ii)	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	52000	130900	182900	'5.4435	52000	130900	182900	'5.4435	'0.0000
(b)	NBFCs registered with RBI	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(c)	Employee Trusts	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(d)	Overseas Depositories(holding DRs) (balancing figure)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
(e)	Any Other (Specify)									
	Hindu Undivided Family	0	0	0	'0.0000	1850	0	1850	'0.0551	'0.0551
	Clearing Member	600	0	600	'0.0179	300	0	300	'0.0089	0.0090
	Bodies Corporate	3696	74900	78596	'2.3392	1396	74900	76296	'2.2707	0.0685
	Sub Total (B)(3)	176600	770300	946900	'28.1815	200000	768800	946900	'28.1815	'0.0000
	Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)	176600	770300	946900	'28.1815	200000	768800	946900	'28.1815	'0.0000
	Total (A)+(B)	176600	3183400	3000000	'100.0000	200000	3181900	3000000	'100.0000	'0.0000
(C)	Non Promoter - Non Public									

[1]	Custodian/DR Holder	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
	Employee Benefit Trust (under SEBI (Share based Employee Benefit)									
[2]	Regulations, 2014)	0	0	0	'0.0000	0	0	0	'0.0000	'0.0000
	Total (A)+(B)+(C)	176600	3183400	3000000	'100.0000	200000	3181900	3000000	'100.0000	

**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 25<sup>th</sup> May, 2016. The same is being included in this annual report.

**For and on behalf of the Board**  
**Sd/-**  
**Vinod Bansal**

Date: 25/05/2016  
Place: New Delhi

**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, 2016, as envisaged in clause 49 of the Listing Agreement with stock exchanges.

**For and on behalf of the Board  
Sd/-**

Date: 25/05/2016  
Place: New Delhi  
**Vinod Bansal**

**Director  
DIN: 00044111**

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**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 2015-2016 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 2015-2016 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 2015-2016;
  - Significant changes in accounting policies during the year 2015-2016 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 31<sup>st</sup> March 2016, 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: 25/05/2016  
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 **31<sup>st</sup> March 2016**, the Statement of Profit & Loss and the Cash Flow Statement for the period then ended and a summary of significant accounting policies and other explanatory information.

### **Management Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material

misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cash flows for the year ended on that date.

### **Report on other Legal & Regulatory requirements**

- 1) As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Companies Act, 2013, 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, a statement specified in paragraph 3 and 4 of the said order.
- 2) As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

(e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

(f) with respect to the adequacy of internal controls over financial reporting of the Company and operating effectiveness of such controls, refer to our separate report in Annexure-B; and

(g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:-

- (i) The Company does not have any pending litigations which would impact its financial position.
  - (ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
  - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- 3) 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.
  - (iv) This company is classified as Loan Company, therefore this clause is not applicable to the company.
  - (v) This company is not classified as NBFC - Micro Finance Institutions, therefore this clause is not applicable to the company.
- 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.
  - (iv) As the Company is not a "Systematically Important Non Deposit Taking NBFC", Sub-clause 'IV' of paragraph C of the NBFC Auditor's Report (Reserve Bank) Directions, 2008 is not applicable to this company.
- d) The company has not received any specific direction from banks, clause 'D' of the paragraph 3 of NBFC Auditor's Report (Reserve Bank) Directions, 1998 is not applicable to the company.

**FOR S. P. MONGA & COMPANY**  
**Chartered Accountants**

**Sd/-**  
**S. P. Monga**  
**(Proprietor)**  
**M. No.: 081562**  
**Firm Reg. No.: 012174N**

**Place: New Delhi**  
**Date: 25/05/2016**

**ANNEXURE - A, TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF "KINETIC TRUST LIMITED - REPORT UNDER THE COMPANIES (AUDITOR'S REPORT) ORDER, 2016.**

In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that: -

- 1)
  - a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b) The Company has a regular programme of physical verification of its fixed assets at reasonable intervals and no material discrepancies were noticed on such verification.
  - c) According to information & explanation given to us and on the basis of our examination of the records of the company, all the immovable properties are held in the name of the company during the year under references.
- 2) The company is NBFC, primarily in financial services. Accordingly, the company hold investment in securities and no discrepancies found by the management of the company.
- 3) As explained to us, the company had not granted any loans, secured or unsecured, to any companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the act with respect to the loans, investments, guarantees and security during the year under reference.
- 5) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits in contravention of Directives issued by Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and the rules framed there under, wherever applicable.

- 6) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Companies Act 2013.
- 7) a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, service tax, custom duty, excise duty, cess and other statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.
- According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, service tax, sales tax, custom duty, excise duty, cess and other statutory dues were in arrears, as at 31<sup>st</sup> March 2016 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us, there are no material dues of income tax, service tax, sales tax, custom duty, excise duty, cess and other statutory dues which have not been deposited with the appropriate authorities on account of any dispute.
- 8) The Company does not have any loans or borrowings from any financial institution, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.
- 9) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- 10) Based upon the audit procedures performed and according to the information and explanations given to us, no fraud by the company or any fraud on the company by its officers or employees has been noticed or reported during the course of our audit, that causes the financial statements to be materially misstated.
- 11) According to the information and explanations give to us and based on our examination of the records of the company, no managerial remuneration has been paid or provided by the company. Accordingly, paragraph 3(xi) of the Order is not applicable.
- 12) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- 13) According to the information and explanations given to us and based upon the audit procedures performed and according to the information and explanations



given to us, all transactions with related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial statements etc. as required by the applicable accounting standards.

- 14) According to the information and explanations give to us and based on our examination of the records of the Company, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- 15) According to the information and explanations give to us and based on our examination of the records of the Company, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- 16) The company is already registered under section 45-IA of the Reserve Bank of India Act, 1934.

**FOR S. P. MONGA & COMPANY**  
**Chartered Accountants**

**Sd/-**  
**S. P. Monga**  
(Proprietor)  
**M. No.: 081562**  
**Firm Reg. No.: 012174N**

**Place: New Delhi**  
**Date: 25/05/2016**

## **ANNEXURE - B, TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF "KINETIC TRUST LIMITED".**

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

"We have audited the internal financial controls over financial reporting of "KINETIC TRUST LIMITED" as of 31<sup>st</sup> March 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date."

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

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

### **Auditors' Responsibility**

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

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

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

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

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

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

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

### **Opinion**

"In our opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2016, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For S. P. MONGA & COMPANY**  
**Chartered Accountants**  
**FRN No. 012174N**

**Sd/-**  
**S. P. Monga**  
**(Proprietor)**  
**M. No. 081562**

**Place: New Delhi**  
**Date: 25/05/2016**

**KINETIC TRUST LIMITED**  
**BALANCE SHEET AS AT 31.03.2016**

(Amount in ₹)

Particulars		Note No.	As at 31.03.2016	As at 31.03.2015
<b>I EQUITY AND LIABILITIES</b>				
<b>(1) Shareholders' funds</b>				
(a) Share Capital	3		33,600,000	33,600,000
(b) Reserves and Surplus	4		4,003,123	3,341,026
(c) Money received against share warrants			-	-
<b>(2) Share Application money pending allotment</b>				
<b>(3) Non-Current Liabilities</b>				
(a) Long- Term Borrowings	5		350,000	350,000
(b) Deferred Tax Liabilities (Net)	6		46,276	100,373
(c) Other Long-Term liabilities			-	-
(d) Long-Term Provisions			-	-
<b>(4) Current Liabilities</b>				
(a) Short- Term Borrowings			-	-
(b) Trade Payables	7		924,613	928,961
(c) Other Current Liabilities	8		3,626,811	4,051,227
(d) Short Term Provisions	9		746,095	474,672
<b>Total of Liabilities</b>			<b>43,296,919</b>	<b>42,846,259</b>
<b>II ASSETS</b>				
<b>(1) Non-Current Assets</b>				
(a) Fixed Assets	10			
(i) Tangible assets			2,519,887	2,536,833
(ii) Intangible assets			-	-
(iii) Capital work in progress			-	-
(iv) Intangible assets under development			-	-
(b) Non-Current Investments	11		2,100,000	2,100,000
(c) Deferred Tax Assets (Net)			-	-
(d) Long Term Loans and Advances	12		4,661,043	4,423,485
(e) Other Non-Current Assets			-	-
<b>(2) CURRENT ASSETS</b>				
(a) Current Investments			-	-
(b) Inventories			-	-
(c) Trade Receivables	13		5,573,536	5,979,897
(d) Cash and Bank Balances	14		275,264	32,047
(e) Short-Term Loans and Advances	15		27,330,000	27,330,000
(f) Other Current Assets	16		837,189	443,997
<b>Total of Assets</b>			<b>43,296,919</b>	<b>42,846,259</b>

Notes referred to above and notes attached there to form an integral part of Balance Sheet  
This is the Balance Sheet referred to in our Report of even date.

**FOR S.P. MONGA & COMPANY**  
**CHARTERED ACCOUNTANTS**

**FOR KINETIC TRUST LIMITED**

sd/-

**S.P. MONGA**

PROPRIETOR

M.No.- 081562

Firm Reg. No: 012174N

sd/-

**VINOD BANSAL**

DIRECTOR

DIN- 00044111

sd/-

**RAJESH ARORA**

DIRECTOR

DIN- 00662396

Date:- 25/05/2016

Place : New Delhi

**KINETIC TRUST LIMITED**  
**STATEMENT OF PROFIT AND LOSS**  
**FOR THE YEAR ENDED ON 31.03.2016**

Amount in ₹

Sr. No.	Particulars	Note No.		For the Year Ended 31.03.2016		For the Year Ended 31.03.2015
I	Revenue from Operations (Gross)	17		3,931,099		3,802,502
	Less :- Excise Duty			-		-
	Revenue from Operations (Net)			3,931,099		3,802,502
II	Other Income			-		-
III	<b>Total Revenue (I+II)</b>			<b>3,931,099</b>		<b>3,802,502</b>
IV	<b>Expenses:</b>					
	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	18		1,426,245		1,392,267
	Contingent Provision against Standard Assets			594		79,384
	Finance Costs	19		4,880		1,820
	Depreciation and Amortization Expenses	20		16,946		151,457
	Other Expenses	21		1,603,605		1,106,642
	<b>Total Expenses (IV)</b>			<b>3,052,269</b>		<b>2,731,570</b>
V	<b>Profit before exceptional and extraordinary items and Tax (III - IV)</b>			878,830		1,070,932
VI	Add/Less :- Exceptional items					
VII	<b>Profit before extraordinary items and tax (V-VI)</b>			878,830		1,070,932
VIII	Add/ Less :- Extraordinary items					
IX	<b>Profit before tax (VII - VIII)</b>			878,830		1,070,932
X	<b>Tax Expense:</b>					
	(1) Current Tax		270,829		395,288	
	(2) Deferred Tax		(54,097)		15,168	
				216,732		410,456
XI	<b>Profit (Loss) from the period from continuing operations (VII - VIII)</b>			<b>662,097</b>		<b>660,476</b>
XII	Profit (Loss) from Discontinuing Operations			-		-
XIII	Tax Expense of Discounting Operations			-		-
XIV	<b>Profit (Loss) from Discontinuing operations (after tax) (XII-XIII)</b>			-		-
XV	<b>Profit/(Loss) for the period (XI+ XIV)</b>			<b>662,097</b>		<b>660,476</b>
XVI	Earning per equity share					
	(1) Basic			0.20		0.20
	(2) Diluted			0.20		0.20

Notes referred to above and notes attached there to form an integral part of Balance Sheet

FOR S.P. MONGA & COMPANY  
CHARTERED ACCOUNTANTS

FOR KINETIC TRUST LIMITED

sd/-  
S.P. MONGA  
PROPRIETOR  
M.No.- 081562  
Firm Reg. No: 012174N

sd/-  
VINOD BANSAL  
DIRECTOR  
DIN- 00044111

sd/-  
RAJESH ARORA  
DIRECTOR  
DIN- 00662396

Date:25/05/2016  
Place : New Delhi

**KINETIC TRUST LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016**

Amount in ₹

	Particulars		2015-16		2014-15
<b>A.</b>	<b>CASH FLOW FROM OPERATING ACTIVITIES</b>				
	<b>Profit before Tax</b>		878,830		1,070,932
	<u>Add Back</u>				
	Depreciation		16,946	151,457	
	Loss on Sale of Assets		-	-	151,457
			895,776		1,222,389
	<u>Deduct:</u>				
	Interest Income	256,099	256,099	202,502	202,502
	<b>Operating Profit before working capital changes</b>		639,677		1,019,887
	(Increase)/Decrease in Trade and Other Receivable	13,169		(9,743)	
	Increase/ (Decrease) in Current Liability and Provisions	(157,341)		(657,004)	
			(144,172)		(666,747)
	<b>Cash Generated from Operations</b>		495,505		353,140
	<u>Deduct:</u>				
	Current tax		270,829	395,288	395,288
	<b>NET CASH INFLOW FROM OPERATING ACTIVITIES ----'A'</b>		<b>224,676</b>		<b>(42,148)</b>
<b>B.</b>	<b>CASH FLOW FROM INVESTING ACTIVITIES</b>				
	<u>Outflow</u>				
	Purchase of Fixed Assets	-		-	
	Sale of Fixed Assets	-		-	
	Increase/(Decrease) in Investment	-		-	
			-		-
	<u>Inflow</u>				
	Interest Income		256,099	202,502	202,502
	<b>NET CASH USED IN INVESTING ACTIVITIES ----'B'</b>		<b>256,099</b>		<b>202,502</b>
<b>C.</b>	<b>CASH FLOW FROM FINANCING ACTIVITIES</b>				
	(Increase)/Decrease in Loan and Advance	(237,558)		(166,957)	
			(237,558)		(166,957)
	<b>NET CASH FROM FINANCING ACTIVITIES ----'C'</b>		<b>(237,558)</b>		<b>(166,957)</b>
	<b>NET INCREASE/(DECREASE) IN CASH OR CASH EQUIVALENTS (A+B+C)</b>		<b>243,217</b>		<b>(6,603)</b>
	Cash/Cash Equivalents at commencement of the year (Opening Balance )		32,047		38,650
	Cash/Cash Equivalents at the end of the year (Closing Balance)		275,264		32,047

As per our Report of even date attached to the Balance Sheet

**FOR KINETIC TRUST LIMITED**

**For S. P. Monga & Associates**  
**(Chartered Accountants)**

sd/-  
**VINOD BANSAL**  
**DIRECTOR**

sd/-  
**RAJESH ARORA**  
**DIRECTOR**

sd/-  
**S. P. Monga**  
**Proprietor**  
M.No. 081884  
Firm Reg. No.: 003368N

Place : New Delhi  
Dated : 25/05/2016

## **KINETIC TRUST LIMITED**

### **Corporate Information:**

Kinetic Trust Limited ("the Company") is a public company incorporated on 12<sup>th</sup> August, 1992 in India and regulated by the Reserve Bank of India (RBI) as Loan Company - Not accepting public deposit - Non Banking Finance Company (LC-ND-NBFC) engaged in corporate loan financing. Apart from NBFC business the company also provides various services like consultancy services, advisory services etc. for its clients.

### **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 life and in the manner prescribed in Schedule-II of the Companies Act 2013. 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) **PROVISION FOR TAXATION:** Provision for taxation is computed as per total income returnable under the Income Tax Act, 1961.
- (g) **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.

- (h) **OTHER ACCOUNTING POLICIES:** These are consistent with the generally accepted accounting policies.

**KINETIC TRUST LTD.**

**Note-2**

**NOTES ON ACCOUNTS ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS ON 31.03.2016**

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

	<b>Particulars</b>	<b>Current Year</b>	<b>Previous Year</b>
2.	Directors Emoluments:		
	Salary (Director)	Nil	Nil
	Sitting Fee	6,000	6,000
3.	Provision for taxation	2,70,829	3,95,288
4.	Dividend	Nil	Nil
5.	Foreign Exchange- Inflow	Nil	Nil
	Outflow	Nil	Nil
6.	Director Traveling (Local)	82,300	95,500
	(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. 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  
Mrs. Kiran Duggal



**Associates Company/ Firm:-**

M/s Arora & Bansal

M/s City Heights 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 31.03.2016	Balance as on 31.03.2015
ACE Innovators P. Ltd. (Matrix Processing 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	Rs. 36,00,000/-	17,13,486/- Dr.	21,19,847/- Dr.
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.

11. 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.
12. 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.

13. **Deferred Tax**

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

	<b><u>As at</u></b> <b><u>31.03.2016</u></b> <b><u>(₹)</u></b>	<b><u>As at</u></b> <b><u>31.03.2015</u></b> <b><u>(₹)</u></b>
(A) Deferred Tax Liability on account of		
i. Depreciation	46,276	1,00,373
ii. Misc. Expenditure	Nil	Nil
Total (A)	46,276	1,00,373
(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
<b>Net Deferred Tax Liabilities / (Assets)</b> <b>(A-B)</b>	<b>46,276</b>	<b>100,373</b>

Deferred Tax (Net) amounting to Rs. 54,097/- has been credited to Profit and Loss Account for the year-ended 31.03.2016

14. **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.

15. **Earning Per Share**

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

Particulars	2015-16	2014-15
a. Net Profit after Taxation	Rs. 6,62,097/-	Rs. 6,60,476/-
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)	0.20	0.20

16. **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.

17. **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 2<sup>nd</sup> October, 2006 and hence disclosure, if any, relating to amounts unpaid as on 31<sup>st</sup> March, 2016 together with interest paid or payable as required under the Act, have not been given.

18. The category of the company is Non-Banking Financial Company-Non Deposit (NBFC-ND), hence CRAR & concentration norms as prescribed by RBI are not applicable to the company.
19. Net Owned Fund (NOF) of the company is Rs. 3, 76, 03,123/- which is as per the requirement in the new guidelines issued by RBI on 10th Nov, 2014.
21. Leverage ratio of 7 is applicable to the company being a NBFC-ND (below asset size of Rs 500 crores) w.e.f. 10.11.2014 as new guidelines issued by RBI. The company is in compliance with the norms throughout the period under report and has not contravened this norms at any time during the financial year 2015-16.
22. There is no change in the management or constitution of the company during the financial year 2015-16.
23. The company is not rated by any approved credit rating agency till date. Being a NBFC-ND credit rating is not applicable to the company.
24. Classification of assets in compliance with the revised norms dated 10.11.2014 shall be as under:-

Category	Mar' 2015	Mar'2016	Mar'2017	Mar'2018 & thereafter
Non-Performing Assets (NPA) For Loan Assets	Overdue => 6 months	Overdue => 5 months	Overdue => 4 months	Overdue => 3 months
Non-Performing Assets (NPA) For Hire purchase & Leased assets	Overdue => 12 months	Overdue => 9 months	Overdue => 6 months	Overdue => 3 months
Sub-Standard Assets	NPA for 18 months	NPA => 16 months	NPA => 14 months	NPA => 12 months
Doubtful Assets	Sub-Std for 18 months	Sub-Std for 16 months	Sub-Std for 14 months	Sub-Std for 12 months

25. Previous Years figures have been regrouped and/or rearranged wherever found necessary to conform to this year's classification.
26. During the Financial year the provision of Section 135 related to the Corporate Social Responsibility of the Companies Act, 2013 is not applicable on the company.

# KINETIC TRUST LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2016

Note : 3 Share Capital

Amount in Rs.

Sr. No	Particulars		Balance as at 31.03.2016		Balance as at 31.03.2015
1	<b>AUTHORIZED CAPITAL</b> <b>Authorised Equity Share Capital</b> (35,00,000 Equity Shares of Rs.10 each) (Previous Year 35,00,000 Equity Shares of Rs.10 each)		35,00,000		35,00,000
			35,00,000		35,00,000
2	<b>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</b>  33,60,000 Equity Shares of Rs.10 each fully paid up (Previous year 33,60,000 Equity shares of Rs.10 each)		33,60,000		33,60,000
	<b>Total in Rs.</b>		<b>33,60,000</b>		<b>33,60,000</b>

## A. Types of Equity Share Capital

	Particulars		As at 31.03.2016		As at 31.03.2015
	No. of Equity Share with Voting Right.		3,360,000		3,360,000
	No. of Equity Share with Differential Voting Right.		-		-
	No. of Equity Share with restrictions in respect of Distribution of Dividend		-		-
	<b>Total No. of Equity Shares</b>		<b>3,360,000</b>		<b>3,360,000</b>

## B . Reconciliation of Share Capital

	Equity Shares with Voting Rights	As at 31.03.2016		As at 31.03.2015	
		No. of Shares	Amount. (Rs)	No. of Shares	Amount. (Rs)
	Opening Balance	3,360,000	33,60,000	3,360,000	33,60,000
	Add:- Addition During the Year	-	-	-	-
	Less:- Buy Back or any other changes	-	-	-	-
	<b>Opening Balance</b>	<b>3,360,000</b>	<b>33,60,000</b>	<b>3,360,000</b>	<b>33,60,000</b>

## C. Details of Shareholders Holding More Than 5% Equity Shares.

Sr. No.	Class of shares/ Name of shareholder	As at 31 March, 2016		As at 31 March, 2015	
		No. of Shares Held	% Holding in That Class of Shares	No. of Shares Held	% Holding in That Class of Shares
	<b>Equity Shares with Voting Rights :-</b>				
1	DD Securities Ltd.	455000	13.54%	455000	13.54%
2	Aditiya Financial Consultant Pvt.Ltd.	420000	12.50%	420000	12.50%
3	Master Flow Pvt. Ltd.	274000	8.15%	274000	8.15%
4	Striker Finvest Pvt. Ltd.	240000	7.14%	240000	7.14%

**Note : 4 Reserve & Surplus**

Sr. No	Particulars		Balance as at 31.03.2016		Balance as at 31.03.2015
1	Revaluation Reserve ( Revaluation of office premises at 1406 Vikram Tower , Rajendra Place, New Delhi)		129,200		129,200
2	Statutory Reserve		264,514		132,095
3	<b>Surplus of Statement of Profit &amp; Loss:-</b>				
	Opening Balance	3,079,731		2,551,350	
	Add:- Profit During the year	662,097		660,476	
	Less:- Transferred to Statutory Reserves u/s 45IC	132,419		132,095	
	<b>Closing Balance</b>	<b>3,609,409</b>	<b>3,609,409</b>	<b>3,079,731</b>	<b>3,079,731</b>
	<b>Total in Rs.</b>		<b>4,003,123</b>		<b>3,341,026</b>

**Note : 5 Long Term Borrowing**

Sr. No	Particulars		Balance as at 31.03.2016		Balance as at 31.03.2015
1	Other Loans & Advances		-		-
	Advances ESCROW		350,000		350,000
	<b>Total in Rs.</b>		<b>350,000</b>		<b>350,000</b>

**Note 6 : Deferred Tax Liabilities (Net)**

Sr. No	Particulars		Balance as at 31.03.2016		Balance as at 31.03.2015
	Opening Deferred tax Liabilities		100,373		85,205
	Add :- Deferred tax Liabilities		-		15,168
	Less :- Reversal of DTL		54,097		-
	Closing Deferred tax Liabilities		46,276		100,373
	<b>Total in Rs.</b>		<b>46,276</b>		<b>100,373</b>

**Note : 7 Trades Payable**

Sr. No	Particulars		Balance as at 31.03.2016		Balance as at 31.03.2015
	<b><u>Sundry Creditors for Services:</u></b>				
1	Matrix Processing House		835,982		835,982
2	Intime Spectrum Registry Ltd.		-		33,399
3	Vikram Tower Maintenance Group		68,715		46,140
4	Chartered Corporate Services		-		13,440
5	Link Intime India P. Ltd.		19,916		-
	<b>Total in Rs.</b>		<b>924,613</b>		<b>928,961</b>

**Note : 8 Other Current Liabilities**

Sr. No	Particulars		Balance as at 31.03.2016		Balance as at 31.03.2015
1	Audit Fee payable		99,076		98,755
2	Director Sitting Fee Payable		72,000		66,000
3	Electricity Expenses Payable		7,450		-
4	Salary Payable		102,500		95,500
5	Bonus Payable		145,628		130,000
6	Expenses Payable		22,362		285,450
7	Jay Ess Worlds Travels		1,076,993		1,222,621
8	Printing and Stationery		-		52,500
9	Arora and Bansal ( Advance against Property)		2,100,000		2,100,000
10	TDS Payable		802		401
	<b>Total in Rs.</b>		<b>3,626,811</b>		<b>4,051,227</b>

**Note : 9 Short Term Provisions**

Sr. No	Particulars		Balance as at 31.03.2016		Balance as at 31.03.2015
1	<b>Others</b>				
	Provision Against Standard Assets		79,978		79,384
	Provision for Income Tax		666,117		395,288
	<b>Total in Rs.</b>		<b>746,095</b>		<b>474,672</b>

# KINETIC TRUST LIMITED

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2016

## Note : 10 Fixed Asset

Amount In ₹

Sr. No	Particulars	Life	Gross Block				Depreciaton				Net Block	
			Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2016	WDV as on 31.03.2015
I	<b>Tangible Assets</b>											
	Office Building-1406 Vikram Tower	60 Yr.	2,868,250	-	-	2,868,250	349,733	15,206	-	364,939	2,503,311	2,518,517
	Plant and Machinery (Others)	5 Yr.	366,320	-	-	366,320	348,004	1,740	-	349,744	16,576	18,316
	<b>TOTAL</b>		<b>3,234,570</b>	<b>-</b>	<b>-</b>	<b>3,234,570</b>	<b>697,737</b>	<b>16,946</b>	<b>-</b>	<b>714,683</b>	<b>2,519,887</b>	<b>2,536,833</b>
	Previous Year		3,234,570			3,234,570	546,280	151,457		697,737	2,536,833	-

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.

# KINETIC TRUST LIMITED

*Notes Forming Integral Part of the Balance Sheet as at 31st March, 2016*

**Note : 11 Non Current Investment**

Amount In Rs.

Sr. No	Particulars		Balance as at 31.03.2016		Balance as at 31.03.2015
1	<u>Investment in Equity Instrument</u>				-
	Unquoted Investment				
	Chilka Fin Trade Pvt. Ltd (1,00,000 shares of Rs. 10 each)	1,000,000		1,000,000	
	Vishamber Sahai Fin Pvt. Ltd. ( 30,000 shares of Rs. 10 each)	1,100,000	2,100,000	1,100,000	2,100,000
	<b>Total in Rs.</b>		<b>2,100,000</b>		<b>2,100,000</b>

**Note : 12 Long Term Loans and Advances**

Sr. No	Particulars		Balance as at 31.03.2016		Balance as at 31.03.2015
I)	<u>Security Deposit</u>				
	Unsecured, Considered Good :				
	D.E.S.U.		3,000		3,000
II)	<u>Other Loans &amp; Advances</u>				
	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	928,023		875,783	
	Hindustan Rasayan Pvt. Ltd.	3,442,417	4,658,043	3,257,099	4,420,485
	<b>Total in Rs.</b>		<b>4,661,043</b>		<b>4,423,485</b>

**Note : 13 Trade Receivables**

Sr. No	Particulars		Balance as at 31.03.2016		Balance as at 31.03.2015
1	<u>Outstanding for more than six months</u>				
	Unsecured, Considered Good :				
	Exalt Fin Cap Ltd.	3,500,000		3,500,000	
	Kinsoft Solutions Pvt. Ltd.	10,050		10,050	
	Vishamber Sahai Fin Pvt. Ltd.	350,000	3,860,050	350,000	3,860,050
2	<u>Outstanding for Less Than Six Months</u>				
	Arora & Bansal	1,713,486	1,713,486		2,119,847
	<b>Total in Rs.</b>		<b>5,573,536</b>		<b>5,979,897</b>

**Note : 14 Cash & Bank Balance**

Sr. No	Particulars		Balance as at 31.03.2016		Balance as at 31.03.2015
1	<b>Cash-in-Hand</b>				
	Cash Balance		252,987		10,347
	<b>Sub Total (A)</b>		<b>252,987</b>		<b>10,347</b>
2	<b>Bank Balance</b>				
	Bank Of India		13,671		9,843
	State Bank of India		8,606		11,857
	<b>Sub Total (B)</b>		<b>22,277</b>		<b>21,700</b>
3	<b>Cheques on Hand</b>				
	<b>Sub Total (C)</b>		-		-
	<b>Total in Rs.[ A + B + C ]</b>		<b>275,264</b>		<b>32,047</b>

**Note : 15 Short Terms Loans and Advances**

Sr. No	Particulars		Balance as at 31.03.2016		Balance as at 31.03.2015
1	<b>Others</b>				
	<i>Advance Recoverable in cash or in kind or for value to be considered good</i>				
	Vishamber Sahai Financiers Pvt. Ltd.		15,650,000		15,650,000
	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
	<b>Total in Rs.</b>		<b>27,330,000</b>		<b>27,330,000</b>

**Note : 16 Other Current Assets**

Sr. No	Particulars		Balance as at 31.03.2016		Balance as at 31.03.2015
1	Service Tax Receivable		-		3,949
2	Income Tax Refund (F. Yr.-2007-2008)		65,437		65,437
3	Self Assessment Tax		18,600		-
4	Tax Deducted at Source		753,152		374,611
	<b>Total in Rs.</b>		<b>837,189</b>		<b>443,997</b>



# KINETIC TRUST LIMITED

Notes Forming Part of the Profit & Loss Accounts as at 31st March, 2016

## Note : 17 Revenue from Operations

Sr. No	Particulars	Balance as at 31.03.2016	Balance as at 31.03.2015
	<b><u>FEES AND SERVICE CHARGES</u></b>		
	Business Income	3,675,000	3,600,000
	Interest Income (NBFC)	256,099	202,502
	<b>Total in ₹</b>	<b>3,931,099</b>	<b>3,802,502</b>

## Note : 18 Employment Benefit Expenses

Sr. No	Particulars	Balance as at 31.03.2016	Balance as at 31.03.2015
1	Salary	1,230,000	1,219,917
2	Bonus to Staff	145,628	130,000
3	Staff Welfare Expenses	50,617	42,350
	<b>Total in ₹</b>	<b>1,426,245</b>	<b>1,392,267</b>

## Note : 19 Financial Cost

Sr. No	Particulars	Balance as at 31.03.2016	Balance as at 31.03.2015
1	Bank Charges	1,920	1,820
2	Interest Exp.	2,960	-
	<b>Total in ₹</b>	<b>4,880</b>	<b>1,820</b>

## Note : 20 Depreciation & Amortised Cost

Sr. No	Particulars	Balance as at 31.03.2016	Balance as at 31.03.2015
1	Depreciation	16,946	151,457
	<b>Total in ₹</b>	<b>16,946</b>	<b>151,457</b>

**Note : 21 Other Expenses**

Sr. No	Particulars	Balance as at 31.03.2016	Balance as at 31.03.2015
1	Advertisement & Publicity	58,559	63,302
2	Newspaper, Books and Periodicals	12,383	11,850
3	Business Promotion	158,775	125,000
4	Travelling and Conveyance	190,894	160,000
5	Conveyance Expenses	145,859	125,500
6	Postage, Courier and Telegram	17,530	15,350
7	Legal & Professional	78,155	38,613
8	Printing & Stationery	68,940	58,526
9	Telephone Expense	38,000	32,500
10	Repair & Maintenance	236,611	59,223
11	Auditor Remuneration -Statutory Audit Fee	17,175	16,854
12	Electricity Expense	152,260	122,530
13	Director Sitting Fee	6,000	6,000
14	Listing Fee	224,720	115,000
15	Property Tax	22,581	27,894
16	Filing Fees	16,430	1,500
17	Misc. Exp	158,733	127,000
	<b>Total in ₹</b>	<b>1,603,605</b>	<b>1,106,642</b>
<b>FOR S.P. MONGA &amp; COMPANY</b>		<b>FOR KINETIC TRUST LIMITED</b>	
<b>CHARTERED ACCOUNTANTS</b>			
sd/-		sd/-	sd/-
<b>S.P. MONGA</b>		<b>VINOD BANSAL</b>	<b>RAJESH ARORA</b>
<b>PROPRIETOR</b>		<b>DIRECTOR</b>	<b>DIRECTOR</b>
<b>M.No.- 081562</b>		<b>DIN- 00044111</b>	<b>DIN- 00662396</b>
<b>Firm Reg. No: 012174N</b>			
<b>Date:- 25/05/2016</b>			
<b>Place : New Delhi</b>			