



KINETICTRUST LIMITED

26th

Annual Report

2017-2018

BOARD OF DIRECTORS	
Mr. Vinod Bansal	Director
Mr. Rajesh Arora	Director
Mr. Ashok Juneja	Director
Mr. Vinay Aggarwal	Director
Mrs. Kiran Duggal	Director
BANKERS	
State Bank of India	Bank of India
AUDITORS	
Mr. Neelesh Kumar Jain A-9/1, 3rd Floor, Acharya Niketan Market, Mayur Vihar, Delhi 110091	LEGAL ADVISORS Mr. Pramod Verma
REGISTERED OFFICE	
527-R, City Tower, IInd Floor, Model Town, Ludhiana-141002 TEL: 0161 5000524, 2428238 FAX: 0161 2430029	CORPORATE OFFICE 1406, Vikram Tower 16 Rajendra Place New Delhi-110008 Tel: 66402000-4, Email: info@ktl.co.in
SHARE TRANSFERS AND OTHER COMMUNICATIONS	
Shares Department M/s Link Intime India (P) Ltd. 44, Community Centre, IInd Floor, Naraina Industrial Area Phase-1, Near PVR Naraina, New Delhi-110028 Tel: 011-41410592,93,94 Email: bharatb@linkintime.com.in	INVESTOR'S GRIEVANCES Mr. Ranjan Kumar Compliance Officer, Kinetic Trust Limited 1406, Vikram Tower 16 Rajendra Place New Delhi-110008

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FORWARD-LOOKING STATEMENT

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.

KINETIC TRUST LIMITED

[Corporate Identification Number-L67120PB1992PLC012532]

Regd. 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: info@kti.co.in

NOTICE

Notice is hereby given that the 26th Annual General Meeting of the Members of Kinetic Trust Limited will be held at the registered office of the company at 527R, City Tower, 2nd Floor, Model Town, Ludhiana-141002 on Friday the 28th September 2018 at 12.30 p.m. to transact the following business:

Ordinary Business:**Item No. 1: Adoption of Audited Financial statements**

To receive, consider and adopt the Audited Financial Statements at 31st March, 2018 together with the reports of the Board of Directors and Auditors thereon.

Item No. 2: Reappointment of Directors

To appoint a Director in place of Mr. Vinod Bansal (DIN: 00044111) who retires by rotation and, being eligible, offers himself for re-appointment.

Item No. 3: Appointment of Statutory Auditors of the company

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

“RESOLVED that pursuant to the provisions of section 139 and 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014, including any statutory re-enactment(s) or modification(s) thereof for the time being in force, the Company hereby ratifies the appointment of Mr. Neelesh Kumar Jain, Chartered Accountants, (Membership No. 511815) as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 27th AGM of the Company to be held in the year 2019, at a remuneration to be decided by the Board of Directors in consultation with the Auditors.”

Notes:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (“Act”) setting out material facts concerning the business under Item Nos. 3 of the Notice, is annexed hereto. The relevant details, pursuant to Regulations 26(4) and 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“SEBI Listing Regulations”) and Secretarial Standard on General Meetings issued by the Institute of Company Secretaries of India, in respect of Directors seeking appointment/re-appointment at this Annual General Meeting (“AGM”) are also annexed.
2. A Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. 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 carrying voting rights. 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. 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 commencement of the AGM. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable.

3. Corporate Members intending to send their authorized representatives to attend the AGM are requested to send a certified copy of the Board Resolution to the Company, authorizing them to attend and vote on their behalf at the AGM.
4. Members, Proxies and Authorised Representatives are requested to bring the duly completed Attendance Slip enclosed herewith to attend the AGM.
5. The Register of Members & Share Transfer Books of the company shall remain closed from 22nd September, 2018 up to 28th September, 2018, both days inclusive.
6. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the Members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the Company's website www.ktl.co.in (under 'Investors' section). Members are requested to submit the said details to their depository participants ("DPs") in case the shares are held by them in electronic form and to Link Intime India (P) Ltd. in case the shares are held by them in physical form.
7. To support the 'Green Initiative', Members who have not yet registered their email addresses are requested to register the same with their DPs in case the shares are held by them in electronic form and with Link Intime India (P) Ltd. in case the shares are held by them in physical form.
8. Members are requested to intimate changes, if any, pertaining to their name, postal address, email address, telephone/mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, bank details such as, name of the bank and branch details, bank account number, MICR code, IFSC code, etc., to their DPs in case the shares are held by them in electronic form and to the Company's Registrars and Transfer Agents, Link Intime India (P) Ltd. in case the shares are held by them in physical form.
9. Members holding shares in physical form are requested to consider converting their holdings 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.
10. Members holding shares in physical form, in identical order of names, in more than one folio are requested to send to the Company or Link Intime India (P) Ltd. the details of such folios together with the share certificates for consolidating their holdings in one folio. A consolidated share certificate will be issued to such Members after making requisite changes.
11. In case of joint holders attending the AGM, 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.
12. Members seeking any information with regard to the accounts, are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the AGM.
13. Notice of the AGM along with the Annual Report 2017-18 is being sent by electronic mode to those Members whose email 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 email addresses, physical copies are being sent by the permitted mode. Members may note that the Notice and Annual Report 2017-18 will also be available on the Company's website viz. www.ktl.co.in.
14. Voting through electronic means
 - i. In compliance with the provisions of Section 108 of the Act, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended from time to time, and Regulation 44 of the SEBI Listing Regulations, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Link Intime India (P) Ltd. on all the resolutions set forth in this Notice. The instructions for e-voting are given herein below.
 - ii. The Board of Directors has appointed Mr. Ved Parkash, Practicing Company Secretary as the Scrutinizer to scrutinize the voting at the AGM and remote e-voting process in a fair and transparent manner.
 - iii. The facility for voting, either through electronic voting system or poll paper, shall also be made available at the AGM and the Members attending the AGM, who have not already cast their vote by remote e-voting, may exercise their right to vote at the AGM.
 - iv. The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - v. A Member can vote either by remote e-voting or at the AGM. In case a Member votes by both the modes then the votes cast through remote e-voting shall prevail and the votes cast at the AGM shall be considered invalid.

Annexure “A” to the notice

The instructions for shareholders voting electronically are as under:

❖ Log-in to e-Voting website of Link Intime India Private Limited (LIPL)

1. Visit the e-voting system of LIPL. Open web browser by typing the following URL: <https://instavote.linkintime.co.in>.
2. Click on “Login” tab, available under ‘Shareholders’ section.
3. Enter your User ID, password and image verification code (CAPTCHA) as shown on the screen and click on “SUBMIT”.
4. Your User ID details are given below:
 - a. **Shareholders holding shares in demat account with NSDL:** Your User ID is 8 Character DP ID followed by 8 Digit Client ID
 - b. **Shareholders holding shares in demat account with CDSL:** Your User ID is 16 Digit Beneficiary ID
 - c. **Shareholders holding shares in Physical Form (i.e. Share Certificate):** Your User ID is Event No + Folio Number registered with the Company
5. Your Password details are given below:
If you are using e-Voting system of LIPL: <https://instavote.linkintime.co.in> for the first time or if you are holding shares in physical form, you need to follow the steps given below:

Click on “Sign Up” tab available under ‘Shareholders’ section register your details and set the password of your choice and confirm (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter).

For Shareholders holding shares in Demat Form or 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"> • Members who have not updated their PAN with depository Participant or in the company record are requested to use the sequence number which is printed on Ballot Form / Attendance Slip indicated in the PAN Field.
DOB/ DOI	Enter the DOB (Date of Birth)/ DOI as recorded with depository participant or in the company record for the said demat account or folio number in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio number. <ul style="list-style-type: none"> • Please enter the DOB/ DOI or Dividend Bank Details in order to register. If the above mentioned details are not recorded with the depository participants or company, please enter Folio number in the Dividend Bank Details field as mentioned in instruction (iv-c).

If you are holding shares in demat form and had registered on to e-Voting system of LIPL: <https://instavote.linkintime.co.in>, and/or voted on an earlier voting of any company then you can use your existing password to login.

If Shareholders holding shares in Demat Form or Physical Form have forgotten password:

Enter User ID, select Mode and Enter Image Verification code (CAPTCHA). Click on "SUBMIT".

Incase shareholder is having valid email address, Password will be sent to the shareholders registered e-mail address. Else, shareholder can set the password of his/her choice by providing the information about the particulars of the Security Question & Answer, PAN, DOB/ DOI, Dividend Bank Details etc. and confirm. (The password should contain minimum 8 characters, at least one special character, at least one numeral, at least one alphabet and at least one capital letter)

NOTE: The password is to be used by demat shareholders for voting on the resolutions placed by the company in which they are a shareholder and eligible to vote, provided that the company opts for e-voting platform of LIPL.

For shareholders holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

❖ **Cast your vote electronically**

6. After successful login, you will be able to see the notification for e-voting on the home page of INSTA Vote. Select/ View "Event No" of the company, you choose to vote.

7. On the voting page, you will see "Resolution Description" and against the same the option "Favour/Against" for voting.

Cast your vote by selecting appropriate option i.e. Favour/Against as desired.

Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'. You may also choose the option 'Abstain' and the shares held will not be counted under 'Favour/Against'.

8. If you wish to view the entire Resolution details, click on the 'View Resolutions' File Link.

9. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "YES", else to change your vote, click on "NO" and accordingly modify your vote.

10. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.
11. You can also take the printout of the votes cast by you by clicking on “Print” option on the Voting page.

❖ **General Guidelines for shareholders:**

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to e-Voting system of LIPL: <https://instavote.linkintime.co.in> and register themselves as ‘Custodian / Mutual Fund / Corporate Body’.

They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the ‘Custodian / Mutual Fund / Corporate Body’ login for the Scrutinizer to verify the same.

- During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular “Event”.
- Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.
- In case the shareholders have any queries or issues regarding e-voting, please refer the Frequently Asked Questions (“FAQs”) and Instavote e-Voting manual available at <https://instavote.linkintime.co.in>, under Help section or write an email to enotices@linkintime.co.in or Call us :- Tel : 022 - 49186000.

Other Instructions:

- (i) A copy of this notice has been placed on the website of the Company ktl.co.in and the website of <https://instavote.linkintime.co.in>.
- (ii) The voting period begins at 9:00 a.m. on Tuesday, 25th September, 2018 and ends at 5:00 p.m. on Thursday, 27th September, 2018. 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 21st September, 2018 may cast their vote electronically. The e-voting module shall be disabled by Linkintime for voting thereafter.
- (iii) 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.
- (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 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/-

Rajesh Arora

Director

DIN: 00662396

Date: 11/08/2018

Place: New Delhi

DIRECTOR'S REPORT

DEAR SHAREHOLDERS

Your Board of Directors have pleasure in presenting 26th 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, 2018.

The economy of India is a developing mixed economy. It is the world's sixth-largest economy by nominal GDP and the third-largest by purchasing power parity (PPP). The country ranks 139th in per capita GDP (nominal) with \$2,134 and 122nd in per capita GDP (PPP) with \$7,783 as of 2018. After the 1991 economic liberalisation, India achieved 6-7% average GDP growth annually. In FY 2015 and 2018 India's economy became the world's fastest growing major economy, surpassing China.

The long-term growth prospective of the Indian economy is positive due to its young population, corresponding low dependency ratio, healthy savings and investment rates, and increasing integration into the global economy. India topped the World Bank's growth outlook for the first time in fiscal year 2015–16, during which the economy grew 7.6%. Despite previous reforms, economic growth is still significantly slowed by bureaucracy, poor infrastructure, and inflexible labor laws (especially the inability to lay off workers in a business slowdown).

India has one of the fastest growing service sectors in the world with an annual growth rate above 9% since 2001, which contributed to 57% of GDP in 2012–13. India has become a major exporter of IT services, Business Process Outsourcing (BPO) services, and software services with \$154 billion revenue in FY 2017. This is the fastest-growing part of the economy. The IT industry continues to be the largest private-sector employer in India. India is the third-largest start-up hub in the world with over 3,100 technology start-ups in 2014–15. The agricultural sector is the largest employer in India's economy but contributes to a declining share of its GDP (17% in 2013–14). India ranks second worldwide in farm output. The industry (manufacturing) sector has held a steady share of its economic contribution (26% of GDP in 2013–14). The Indian automobile industry is one of the largest in the world with an annual production of 21.48 million vehicles (mostly two and three-wheelers) in 2013–14. India had \$600 billion worth of retail market in 2015 and one of world's fastest growing e-commerce markets.

FINANCIAL RESULTS

The financial results of the company operations for the year under review and those of the previous years are as follows:

PARTICULARS	Amount in ` (Rs. Lacs)	
	CURRENT YEAR	PREVIOUS YEAR
Revenue from operations	13.31	30.38
Other Income	-	-
Profit (Loss)/before extraordinary Items and tax	2.92	5.87
Less extraordinary items	-	-
Profit/(loss) before tax	2.92	5.87
Dividend	Nil	Nil

PERFORMANCE OF THE COMPANY

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

AUDITORS

Pursuant to the provisions of section 139 and 142 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014, including any statutory re-enactment(s) or modification(s) thereof for the time being in force, the Company hereby ratifies the appointment of Mr. Neelesh Kumar Jain, Chartered Accountants, (Membership No. 511815) as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 27th AGM of the Company to be held in the year 2019, at a remuneration to be decided by the Board of Directors in consultation with the Auditors.

DIRECTORS

All independent Directors have confirmed that they are complying with the requirement of Section 149(6) of the Companies Act, 2013 and applicable provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

Mr. Vinod Bansal, Director, director of the company, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Details of the Director seeking re-appointment are provided in the corporate governance report forming part of this report. The Board recommends his appointment for consideration of members of the company at the ensuing Annual General Meeting.

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, 2018 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, 2018 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, 2018 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 2017-18.

SECRETARIAL AUDITORS' REPORT

The Board of Directors has appointed Mr. Ved Parkash, Company Secretary in whole time practice to conduct Secretarial Audit for the Financial Year 2017-18 under the provisions of Section 204 of the Companies Act, 2013. The Secretarial Auditors' Report (MR-3) enclosed herewith as Annexure-B which forms part of this report, does not contain any qualifications, reservations or adverse remarks.

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.

CORPORATE GOVERNANCE REPORT, MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The company is committed to maintain the higher standards of corporate governance. Your Directors adhered to the requirements set out in the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and have implemented all the prescribed requirements. Pursuant to Regulation 34(3) of the SEBI LODR. The Reports on Corporate Governance with auditors' certificate thereon and Management Discussion and Analysis have been incorporated in the Annual Report and form an integral part of the Board's report.

OTHER DISCLOSURES UNDER COMPANIES ACT, 2013

1. Number of Board Meetings

The Board met four times during the Financial Year, the details of the Board Meetings and attendance of the Directors are provided 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.

2. Composition of Audit Committee

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

3. Related Party Transactions

All the related party transactions are entered on arm's length basis and in the ordinary course of business. The Company has complied with all the applicable provisions of the Act and SEBI LODR in this regard. 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 an arm's length transactions under third proviso thereto are disclosed in Form No. AOC -2 attached as Annexure C.

4. Particulars of Loans, Guarantees and Investments

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

5. 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.

6. Comments on Auditor's Report

There is no adverse remark or comments in Statutory Auditor's report and therefore no comments are required in the Director's report.

7. Vigil Mechanism and Whistle Blower Policy

In pursuance of Section 177(9) of the Companies Act, 2013 and the SEBI LODR, the company has in place a Vigil Mechanism/Whistle Blower Policy for Directors and employees to report genuine concern. More details pertaining to the same are given in the Corporate Governance Report.

8. Nomination & Remuneration & Evaluation Policy

In Pursuant to provisions of Section 178 of the Companies Act, 2013 and SEBI LODR, the Board of Directors have approved Nomination & Remuneration & Evaluation policy for appointment, remuneration and evaluation of the Directors, key management personnel and senior management personnel. The details of the Nomination, Remuneration Committee, Nomination & Remuneration & Evaluation Policy and annual evaluation carried out by the Board of Directors are given in the Corporate Governance Report.

9. Particular of Employees and Analysis of Remuneration.

Particular of employees and analysis of remuneration as required under Section 197(12) of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and remuneration of Managerial Personnel) Rules 2014 are enclosed in Annexure- D.

10. Extract of Annual Return

The details forming part of the extracts of the Annual Return in Form MGT-9 is enclosed as Annexure –E.

11. Miscellaneous Disclosures

- i. The details about risk management have been given in the Management discussion and analysis.
- ii. There is no material change and commitments affecting the financial position of the company which has occurred between the end of the financial year and the date of the report.
- iii. The company does not have any subsidiary and joint venture companies.

- iv. There is no significant and material order passed during the year by the regulators, courts, tribunals which can impact the going concern status and the Company's operations in the future.
- v. During the year the company has not received any complain under the sexual harassment of women at work place (Prevention, Prohibition and Redressal), Act, 2013.

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 (2017-2018)	Previous Year (2016-2017)
(a) Foreign Exchange Inflow	Nil	Nil
(b) Foreign Exchange Outflow	Nil	Nil

ACKNOWLEDGEMENTS

Directors wish to express their grateful appreciation for assistance and cooperation received from 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/-

Date: 11/08/2018
Place: New Delhi

Rajesh Arora
Director
DIN: 00662396

Annexure "A" to Board's Report

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST March, 2018

[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 31ST MARCH, 2018

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 31st March, 2018, 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 31st March, 2018, 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;
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- 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.

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.

I further report that during the audit period the company has not undertaken any events/ actions in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. which in our opinion have a major bearing on the company's affairs.

Place: New Delhi

Signature:

Sd/-

Date: 23/05/2018

Name of the Company Secretary in Practice:

Ved Parkash

FCS No:

3880

C P No:

15927

Annexure "B" 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

S. No.	Particulars	Details
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	10 th February 2017
g	Amount paid as advances, if any	-

For Kinetic Trust Limited

Sd/-

(Rajesh Arora)

Director
DIN: 00662396

Annexure "C" to Board's Report

STATEMENT OF PARTICULARS OF EMPLOYEES PURSUANT TO SECTION 197 OF THE COMPANIES ACT, 2013 READ WITH RULE 5(2) COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

Details of employees in terms of remuneration:-

Name of Employee	Designation	Remuneration
Vinod Bansal	Director	NIL
Rajesh Arora	Director	NIL
Ashok Kumar Juneja	Director	NIL
Vinay Agarwal	Director	NIL
Kiran Duggal	Director	NIL

Annexure "D" to Board's Report

FORM NO MGT-9
EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2018

[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:

SNo.	Particulars	Details
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 Naryana, 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:-

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

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and address of the company	CIN / GLN	Holding / subsidiary / associate	% of shares held	Applicable section
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)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter and	-	2400000	2400000	71.43	-	2400000	2400000	71.43	-

Promoter Group (A)= (A)(1)+ (A)(2)										
B. PUBLIC SHAREHOLDING										
(1) INSTITUTIONS										
Mutual Funds/ UTI	-	-	-	-	-	-	-	-	-	-
FI / Banks	-	-	-	-	-	-	-	-	-	-
Central Govt. / State Govt.(s)	-	-	-	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-	-
FIs	-	-	-	-	-	-	-	-	-	-
Foreign venture capital funds	-	-	-	-	-	-	-	-	-	-
Others (specify)	-	-	-	-	-	-	-	-	-	-
Sub Total(B)(1)	-	-	-	-	-	-	-	-	-	-
(2) Non-institutions										
a) Bodies Corporate	4097	74900	78997	2.3511	16566	74900	91466	2.7222	-0.3711	
(i) Indian										
(ii) Overseas										
b) Individuals										
(i) Individual Shareholders holding nominal share capital up to Rs 1 lakh	129029	555800	684829	20.3818	188923	643500	832423	24.7745	-4.3927	
(ii) Individual Shareholders holding nominal share capital in excess of Rs. 1 lakh.	50874	130900	181774	5.4099	-	21300	21300	0.6339	4.776	

c) Others (specify)									
HINDU UNDIVIDED FAMILY	1000	-	1000	0.0298	1111	-	1111	0.0331	-0.0033
CLEARING MEMBER	300	-	300	0.00089	600	-	600	0.0179	-
DIRECTORS/ RELATIVES	-	13100	13100	0.39	-	13100	13100	0.39	-
Subtotal B(2)	185300	761600	946900	28.18	207200	739700	946900	28.18	-
Total Public Shareholding (B)= (B)(1)+(B)(2)	185300	761600	946900	28.18	207200	739700	946900	28.18	-
C. Shares held by Custodians for GDRs & ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A)+(B)+(C)	185300	761600	946900	28.18	207200	739700	946900	28.18	-

(ii) Shareholding of promoters

S. No.	Shareholder's name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	No. of shares	% of total shares of the company	% of shares pledged/encumbered to total shares	
1.	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	NA	NA	NA	NA

shareholding during the year specifying the 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.	For each of the top 10 shareholders	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
1	Chilka Fin Trade Pvt. Ltd	23800	0.7083	23800	0.7083
2	Navin Kumar Tayal	21300	0.6339	21300	0.6339
3	Sanjiv Nagindas Parekh	29262	0.8709	18580	0.553
4	Vinay Aggarwal	13100	0.3899	13100	0.3899
5	Keshav Tayal	17800	0.5298	17800	0.5298
6	Hitesh Ramji Javeri	8845	0.4524	13839	0.411
7	LSC Securities Limited	397	0.011	13176	0.3921
8	Ajay Garg	13000	0.3869	13000	0.3869
9	Ajay Gupta	13000	0.3869	13000	0.3869
10	Sarbjit Singh	11500	0.3423	11500	0.3423

(v) Shareholding of directors and key managerial personnel:

S. No.	For each of the directors and KMP	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	103250	4.30	103250	4.30
	Date wise increase / decrease in promoters shareholding during the year specifying the reasons for increase / decrease	----	---	-	-
	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
--	----------------------------------	-----------------	----------	--------------------

Indebtedness at the beginning of the financial year				
(i) Principal amount	-	3,50,000	NIL	3,50,000
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	3,50,000	-	-
Change in indebtedness during the financial year				
• Addition	-	-	-	-
• Reduction	-	-	-	-
Net change	-	-	-	-
Indebtedness at the end of the financial year	-		-	
(i) Principal amount	-	3,50,000		3,50,000
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	-	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	-	-	-
	<ul style="list-style-type: none"> • 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					
Punishment			NIL		
Compounding					
B. DIRECTORS					

Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

This Annual Report 2017-18 of Kinetic Trust Limited is made up of the strategic report which includes Report of Board of Directors, Management Discussion and analysis; and the corporate governance report, the financial statements, notes and additional information as required under the Companies Act, 2013 ('THE ACT') and the Securities and Exchange Board of India (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 ('LISTING REGULATIONS').

CAUTIONARY STATEMENT

Statements in this Annual Report, particularly those that relate to Management Discussion and Analysis, describing the Company's objectives, projections, estimates and expectations, may constitute 'forward-looking statements' within the meaning of applicable laws and regulations. Although the expectations are based on reasonable assumptions, the actual results might differ.

The year 2017-18 was witnessed several past pace events, punctuated by significant and unpredictable political and economic changes. With global economic recoveries still remaining subdued, the popular disclosure over relentless news of unconventional monetary policy support has now started to pave way for a prudent physical fiscal policy in countries like USA, UK and Japan.

These global undercurrent will continue to dominate economic and financial outcomes in 2019 and the growth momentum is expected to be carried forward during the year 2019.

The economy performed upto its potential despite fears of slowdown owing to demonetization of high value notes. The country business environment is gradually becoming active in the backdrop of favorable government policies, lower inflation and lower interest rate scenario. The high impact micro reforms and critical structural reforms have begun to redesign the macro frameworks and institutions. Resultantly, India's ranking in the 2016-17 global competitive index, released by World Economic Forum, and improved 16 places to 39, which is the fastest improvement among 138 countries survived. The long term effects of demonetization are expected to be positive with an increase in liquidity in the banking system and decreased lending rates. The implementation of GST in July 2017, and various other reforms, will eventually help the nation towards improving its productivity and generate positive business climate.

ENVIRONMENT AND SAFETY

The company is conscious of the need for clean and safe environment.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

The Audit committee of the Board of Directors is actively engaged in reviewing and overseeing adequacy and effectiveness of internal control systems, financial disclosures and suggests improvements for strengthening them, and reviewing your Company's risk management policies, so that vision and mission of the Company can be achieved.

CAUTIONARY STATEMENT

Statement in this Management Discussion and Analysis describing the company's objective, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable 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, economic conditions, changes in the Government regulations, tax laws and other statutes and other incidental factors.

For and on behalf of the Board

**Sd/-
Rajesh Arora
Director
DIN: 00662396**

CORPORATE GOVERNANCE REPORT

(Forming part of Director's Report for the year ended 31st March 2018)

In accordance with the provisions of the SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015 (hereinafter referred to as 'SEBI Listing Regulations, 2015'), which were made applicable with effect from 1 December 2015, given below are the corporate governance policies and practices of Kinetic Trust Ltd. ('the Company' or 'KTL') for the year 2017-18.

This Report, therefore, states compliance as per requirements of the Companies Act, 2013 and SEBI Listing Regulations, 2015, as applicable to the Company. As will be seen, the Company's corporate governance practices and disclosures have gone well beyond complying with the statutory and regulatory requirements stipulated in the applicable laws, including SEBI Listing Regulations, 2015.

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 commitment of the Kinetic Trust Limited to the highest standards of good corporate governance practices predates SEBI and the provisions of the recent SEBI Listing Regulations, 2015. Ethical dealings, transparency, fairness, disclosure, accountability and compliance of law in all facets of operations, leading to best standards of corporate governance.

BOARD OF DIRECTORS

Composition, Category and Attendance at Meeting

The Board of Directors of the company consists of eminent persons with considerable professional expertise and experience in business and industry, finance, management and legal. The Board comprises of 5 Directors including one woman director and composition of Board of Directors of the company is in conformity with regulation 17(1) of the SEBI LODR, 2015 and applicable provisions of the Companies Act, 2013.

In keeping with the commitment of the Management to the principle of integrity and transparency in business operations for good corporate governance, the Company's policy is to have an appropriate blend of executive

and independent directors to maintain the independence of the Board and to separate the Board functions of governance and management.

Composition

As on 31 March 2018, the Board of the Company consisted of five directors, of whom two were executive, two were non-executive independent and one was non-executive and non-independent woman director). The Board has no institutional nominee director.

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

Number of Meetings of the Board

During the financial year 2017-18, the Board of Directors met four times, viz. 29th May, 2017, 11th August, 2017, 11th November 2017, 12th February, 2018. The gap between any two meetings has been less than one hundred and twenty days.

DIRECTORSHIPS AND MEMBERSHIPS OF BOARD COMMITTEES

Details of directorships and memberships in various committees as held by the directors of the Company are given in Table 1.

Table 1: Number of directorships/committee positions of directors as on 31st March 2018

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	-	1
Rajesh Arora	Promoter/ Executive	4	Yes	-	2
Ashok Juneja	Independent Non- Executive	4	Yes	1	3
Vinay Aggarwal	Independent Non- Executive	4	Yes	-	3
Kiran Duggal	Executive Director	4	Yes	-	-

REVIEW OF LEGAL COMPLIANCE REPORTS

During the year, the Board periodically reviewed compliance reports with respect to the various laws applicable to the Company, as prepared and placed before it by the Management.

CODE OF CONDUCT

Regulation 17(5) of the SEBI Listing Regulations, 2015 requires listed companies to lay down a Code of Conduct for its directors and senior management, incorporating duties of directors as laid down in the Companies Act, 2013.

As required under clause 49 of the erstwhile Listing Agreement (now corresponding to regulation 17(5) of the SEBI Listing Regulations, 2015), the Board has adopted a Code of Conduct for all Directors and Senior Management of the Company and the same has been placed on [http:// www.ktl.co.in](http://www.ktl.co.in)

All Directors and Senior Management personnel have affirmed compliance with the Code for 2017-18. A declaration to this effect signed by the Director is given in this Annual Report.

MAXIMUM TENURE OF INDEPENDENT DIRECTORS

The maximum tenure of independent directors is in accordance with the Companies Act, 2013 and regulation 25(2) of the SEBI Listing Regulations, 2015.

FORMAL LETTER OF APPOINTMENT TO INDEPENDENT DIRECTORS

The Company issues a formal letter of appointment to independent directors in the manner as provided in the Companies Act, 2013. As per regulation 46(2) of SEBI Listing Regulations, 2015, the terms and conditions of appointment of independent directors are placed on the Company's website www.ktl.co.in

PERFORMANCE EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and SEBI Listing Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, and that of its Committees and individual directors.

During the year under review, SEBI vide its circular dated 5 January 2017 came out with a Guidance Note of Board Evaluation, which was to be adopted by the Company, as considered appropriate. The performance evaluation criteria for the Board, Committees of the Board, Chairperson and Directors were accordingly modified by the Board at its meeting held on 12th February 2018, as approved and recommended by the Nomination and Remuneration Committee.

REMUNERATION POLICY

The Board, on the recommendation of the Nomination and Remuneration Committee, has framed a Remuneration Policy providing (a) criteria for determining qualifications, positive attributes and independence of directors and (b) a policy on remuneration for directors, key managerial personnel and other employees. The Remuneration Policy is placed on <http://www.ktl.co.in>

FAMILIARIZATION PROGRAMMES

With a view to familiarizing the independent directors with the Company's operations, as required under regulation 25(7) of the SEBI Listing Regulations, 2015, the Company has held various familiarization programmes for the independent directors throughout the year on an ongoing and continuous basis.

The details of such familiarization programmes are placed on <http://www.ktl.co.in>

WHISTLE BLOWER POLICY/VIGIL MECHANISM

Pursuant to section 177(9) of the Companies Act, 2013 and clause 49 of the erstwhile Listing Agreement (now corresponding to regulation 22 of the SEBI Listing Regulations, 2015).

The Whistle Blower Policy/Vigil mechanism provides a mechanism for the director/employee to report, without fear of victimization, any unethical behavior, suspected or actual fraud, violation of the Code of Conduct etc. which are detrimental to the organization's interest. The mechanism protects whistle blower from any kind of

discrimination, harassment, victimization or any other unfair employment practice. The Company affirms that no employee has been denied access to the Audit Committee.

The directors in all cases and employees in appropriate or exceptional cases will have direct access to the Chairman of the Audit Committee. The said Policy is placed on the Company's website www.ktl.co.in

RELATED PARTY TRANSACTIONS

All related party transactions (RPTs), which were entered into by the Company during the year under review, were on arms' length basis and in the ordinary course of business and did not attract provisions of section 188 of the Companies Act, 2013 and were also not material RPTs under regulation 23 of the SEBI Listing Regulations, 2015.

During the year 2017-18, as required under section 177 of the Companies Act, 2013 and regulation 23 of the SEBI Listing Regulations, 2015, all RPTs were placed before Audit Committee for approval.

A statement showing the disclosure of transactions with related parties as required under Accounting Standard 18 is set out separately in this Annual Report.

There were no material transactions entered into with related parties, during the year under review, which may have had any potential conflict with the interests of the Company.

A Policy on materiality of RPTs and also on dealing with RPTs has been formulated by the Board and is placed on <http://www.ktl.co.in>

DISCLOSURES

Suitable disclosures have been made in the financial statements, together with the Management's explanation in the event of any treatment being different from that prescribed in the Accounting Standards.

COMMITTEE OF THE BOARD

AUDIT COMMITTEE

Constitution and composition

All members of the Audit Committee are independent, non-executive directors and are 'financially literate' as required by regulation 18(1)(c) of the SEBI Listing Regulations, 2015. Moreover, the Chairman and members of the Audit Committee have 'accounting or related financial management expertise'.

Meetings, attendance and topics discussed

During 2017-18, the Audit Committee met four times: 29th May, 2017, 11th August, 2017, 11th November 2017, 12th February, 2018. The meetings were scheduled well in advance and not more than one hundred and twenty days elapsed between any two meetings.

In addition to the members of the Audit Committee, these meetings were attended by the heads of finance, internal audit functions and the statutory auditor of the Company and those executives who were considered necessary for providing inputs to the Committee.

Table 2: Composition of the Audit Committee and attendance record of members for 2017-18

Name of Director	Designation	Nature of Directorship	No. of Audit Committee attended
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Ashok Juneja	Chairman	Independent Non-Executive	4/4
Vinod Bansal	Member	Promoter/ Executive	4/4
Vinay Aggarwal	Member	Independent Non- Executive	4/4

NOMINATION & REMUNERATION COMMITTEE:

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

Table 3: Composition of the Nomination and Remuneration Committee and attendance record of members for 2017-18.

Name of Director	Designation	Nature of Directorship	No. of Nomination & Remuneration attended
Vinay Aggarwal	Chairman	Independent Non-Executive	4/4
Rajesh Arora	Member	Promoter/ Executive	4/4
Ashok Juneja	Member	Independent Non- Executive	4/4

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, 2018.
- 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

Table 4: Composition of the Stake Holders Relationship Committee is as under:

Name of Director	Designation	Nature of Directorship
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Vinay Aggarwal	Chairman	Independent Non- Executive
Rajesh Arora	Member	Promoter/ Executive
Ashok Juneja	Member	Independent Non- Executive

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

Location and Time of General Body Meeting:

The details of location, date and time of AGMs held during last three years are given as under:

Financial Year	Date	TIME	VENUE
2014-15	29.09.2015	12:30 P.M	527R, City Tower 2 nd Floor, Ludhiana
2015-16	29.09.2016	12:30 P. M.	527R, City Tower 2 nd Floor, Ludhiana
2016-17	28.09.2017	12.30 P. M	527R, City Tower 2 nd Floor, Ludhiana

a. Special Resolutions:

Details of special resolution passed by the Company in any of its previous three AGMs:

Financial Year	Date	TIME	Details of special resolutions(s) passed at the Annual General Meetings
2014-15	29.09.2015	12:30 P.M	No special resolutions were passed
2015-16	29.09.2016	12:30 P. M.	Appointment of Auditors
2016-17	28.09.2017	12.30 P.M.	No special resolutions were passed

b. Postal Ballot:

No Postal Ballot was conducted during the year 2017-18.

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	28.09.2018
Time	12:30 P.M.
Venue	527R, City Tower 2 nd Floor, Model Town, Ludhiana-141002

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 28th September, 2018.

(b) Financial Year

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

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

The Book Closure will be from 22nd September, 2018 up to 28th September, 2018 (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:

The Link Intime Private Limited is the Registrar and Share Transfer Agent (RTA) of the Company. The Shareholders/ Investors are requested to contract for all correspondence/ queries at the following address:

Unit:	M/s Link Intime India Private Limited
Address:	44, Community Centre, IInd Floor, Naraina Industrial Area Phase-1, Near PVR Naraina, New Delhi-110028
Tel. No.:	011-41410592,93,94
Email:	bharatb@linkintime.co.in

(f) Share Transfer System:

The transfer of shares in physical form is processed and completed by M/s Link Intime India Private Limited, within a period of 15 days from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form, the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the Listing regulations, a practicing company Secretary audits the System of Transfer and a Certificate to that effect is issued.

(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 equity shares of the Company are compulsorily traded and settled in dematerialized form under ISIN INE674M01019. The details of shares under dematerialized and physical mode are as under:

Particulars	31 st March, 2018	31 st March, 2017
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Electronic/Physical	No. of Shareholders		%	
	No. of Shareholders	%	No. of Shareholders	%
NSDL	92,665	3.41	86,861	2.59
CDSL	1,14,535	2.76	98,439	2.93
Physical	31,52,800	93.83	31,74,700	94.48
Total	33,60,000	100	33,60,000	100

(i) Listing Fees as applicable have been paid.

(j) Address for Correspondence:

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

M/s Link Intime India Private Limited
44, Community Centre, 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, RajendraPlace,
New Delhi-110008.

(k) Distribution of Shareholding as on 31st March, 2017:

Kinetic Trust Limited							
DISTRIBUTION OF SHAREHOLDING BASED ON SHARES HELD							
All (NSDL+CDSL+PHYSICAL)							
S.NO.	SHARES RANGE			NUMBER OF SHAREHOLDERS	% OF TOTAL SHAREHOLDERS	TOTAL SHARES FOR THE RANGE	% OF ISSUED CAPITAL
1	1	to	500	647	68.9765	172022	5.1197
2	501	to	1000	135	14.3923	109500	3.2589
3	1001	to	2000	44	4.6908	63045	1.8763
4	2001	to	3000	20	2.1322	53660	1.5970
5	3001	to	4000	22	2.3454	77728	2.3133
6	4001	to	5000	13	1.3859	60300	1.7946
7	5001	to	10000	254	2.6652	190200	5.6607
8	10001	to	*****	32	3.4115	2633545	78.3793
Total				938	100.0000	3360000	100.0000

(I) Directors Seeking Re-appointment:**Mr. Vinod Bansal**

Mr. Vinod Bansal was appointed as director of the company on 12th August, 1992. He is Bachelor of Commerce, Chartered Accountant (CA) and a law graduate. He is one of the Key Promoters of the company and has vast professional experience of more than 35 years. His functional experience covers Managing the business activities and Financial Management.

Directorship in other Companies: - Kinsoft Solutions Private Limited
A & B Corporate Consultants Private Limited
CITY HEIGHTS DEVELOPERS AND CONSULTANTS (P) LTD.
JADE TOWN PLANNERS PRIVATE LIMITED
CORAL TOWN PLANNERS PRIVATE LIMITED
BLAKE TOWNSHIP PRIVATE LIMITED
IPG TECHLEGAL MANAGEMENT SOLUTIONS (P) LIMITED
DOLPHIN E-SERVICES PRIVATE LIMITED
ACE INNOVATORS PRIVATE LIMITED
SWATANTAR CONSULTANTS PRIVATE LIMITED

OTHER REQUIREMENTS UNDER SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**(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 17(3) of the SEBI LODR, 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 23rd May, 2018. The same is being included in this annual report.

For and on behalf of the Board
Sd/-

Rajesh Arora
Director
DIN: 0066839

Date: 23/05/2018
Place: New Delhi

DECLARATION OF CODE OF CONDUCT

This is to confirm that the board has laid down a Code of Conduct for all board members and senior management of the company. It is further confirmed that all directors and senior management personnel of the company have affirmed compliance with the Code of Conduct of the company for the year ended 31st March, 2017, as envisaged in clause 49 of the Listing Agreement with stock exchanges (now corresponding to regulation 17(5) of the SEBI Listing Regulations, 2015).

For and on behalf of the Board
Sd/-

Rajesh Arora
Director
DIN: 0066839

Date: 23/05/2018
Place: New Delhi

CEO/CFO CERTIFICATION

(Under Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

I certify that:-

- a) I have reviewed the financial statements and the cash flow statement for the year 2016-2017 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 2016-2017 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 2017-2018:
- Significant changes in accounting policies during the year 2017-2018 and that the same have been disclosed in notes to the financial statements; and
- There are no instances of significant fraud of which I have become aware and the involvement therein of the management or an employee having a significant role in the Bank's internal control system over the financial reporting

For Kinetic Trust Limited

Sd/-

Head (F&A)

**The Board of Directors
Kinetic Trust Limited
Ludhiana**

Re: Auditor's Certificate on Corporate Governance

We have examined the compliance of conditions of corporate governance by Kinetic Trust Limited for the year ended 31st March 2018, as stipulated in Regulations 34(3) of the SEBI (Listing Obligations & Disclosure Requirements).

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 above-mentioned SEBI LODR.

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 Neelesh Kumar Jain
Chartered Accountants**

Sd/-

Membership No.: 511815

Date: 23/05/2018
Place: New Delhi

INDEPENDENT AUDITOR'S REPORT

To
The Members
M/s KINETIC TRUST LIMITED

Report on Financial Statements

We have audited the accompanying Financial Statements of **M/s KINETIC TRUST LIMITED**, which comprise the Balance Sheet as at **31st March 2018**, the Statement of Profit & Loss (including Other Comprehensive Income), the Statement of Changes in Equity 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 including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India.

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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. In conducting 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 and the Order issued under section 143(11) of the Act.

We conducted our audit of the standalone financial statements 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 standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the 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, 2018, and its profit, total comprehensive income, the changes in equity 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 including Other Comprehensive Income, Statement of Changes in Equity and the Statement of Cash Flow 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.
 - (e) On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is

disqualified as on 31st March, 2018 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 Neelesh Kumar Jain
Chartered Accountants

Sd/-

M. No.: 511815

Place: New Delhi
Date: 23.05.2018

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 31st March 2018 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 Neelesh Kumar Jain
Chartered Accountants

Sd/-

M. No.: 511815

Place: New Delhi
Date: 23.05.2018

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 31st March 2018 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 31st March 2018, 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 Neelesh Kumar Jain
Chartered Accountants

Sd/-

M. No.: 511815

Place: New Delhi

Date: 23.05.2018

KINETIC TRUST LIMITED
BALANCE SHEET AS AT 31.03.2018

(Currency : Indian Rupees)

	Particulars	Note No.	As at 31.03.2018	As at 31.03.2017	As at 1st April 2016
A	Assets				
I	Non-Current Assets				
(a)	Property, Plant & Equipments				
	(i) Tangible assets	1	2,485,996	2,502,942	2,519,887
	(ii) Intangible assets		-	-	-
(b)	Capital Work - In - Progress				
(c)	Financial Assets				
	(i) Investments	2	2,100,000	2,100,000	2,100,000
	(ii) Loans	3	4,661,043	4,661,043	4,661,043
	Sub - Total (1)		9,247,039	9,263,985	9,280,930
II	Current Assets				
(a)	Inventories				
(b)	Financial Assets				
	(i) Trade Receivables	4	5,288,277	5,535,277	5,573,536
	(ii) Cash & Cash Equivalents	5	48,341	25,195	275,264
	(iii) Loans	6	29,295,520	29,093,800	27,330,000
	(iv) Other Financial Assets				
(c)	Current Tax Assets				
(d)	Other Current Assets	7	1,101,925	965,670	837,189
	Sub - Total (2)		35,734,062	35,619,941	34,015,988
	Total Assets (1+2)		44,981,101	44,883,926	43,296,918
B	Equity and Liabilities				
I	Equity				
(a)	Equity Share Capital	8	33,600,000	33,600,000	33,600,000
(b)	Other Equity				
	(i) Revaluation Reserve		129,200	129,200	129,200
	(ii) Statutory Reserve		383,605	344,363	264,514
	(iii) Retained Earnings		4,085,773	3,928,804	3,609,409
	Equity Attributable to Equity Share Holders				
	Non-Controlling Interests				
	Total Equity	Sub - Total (3)	38,198,579	38,002,367	37,603,123
II	Non-Current Liabilities				
(a)	Financial Liabilities				
	(i) Long-Term Borrowings	9	350,000	350,000	350,000
	(ii) Deferred Tax Liabilities (Net)	10	46,052	46,477	46,276
	(iii) Other Long Term Liabilities				
III	Current Liabilities				
(a)	Financial Liabilities				
	(i) Short Term Borrowings				
	(ii) Trade Payables	11	976,178	1,005,574	924,613
(b)	Other Current Liabilities	12	4,356,330	4,524,273	3,626,811
(c)	Current Tax Liabilities	13	1,053,963	955,235	746,095
	Sub - Total (5)		6,782,522	6,881,559	5,693,795
	Total liabilities	Sub - Total (4+5)	44,981,101	44,883,926	43,296,918

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 NEELESH KUMAR JAIN

FOR KINETIC TRUST LIMITED

Sd/-

NEELES KUMAR JAIN
CHARTERED ACCOUNTANTS
M.No.- 511815

Sd/-
VINOD BANSAL
DIRECTOR
DIN- 00044111

Sd/-
RAJESH ARORA
DIRECTOR
DIN- 00662396

Date:-23.05.2018

Place : New Delhi

KINETIC TRUST LIMITED
STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED ON 31.03.2018

(Currency : Indian Rupees)

Sr. No.	Particulars	Note No.	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
I	Revenue from Operations	14	1,330,800	3,038,800
II	Other Income		-	-
III	Total Revenue (I+II)		1,330,800	3,038,800
IV	Expenses:			
	Employee Benefits Expenses	15	507,179	1,131,658
	Contingent Provision against Standarded Assets		2,486	21,287
	Finance Costs	16	1,503	1,750
	Depreciation and Amortization Expenses	17	16,946	16,946
	Other Expenses	18	510,658	1,279,862
	Total Expenses (IV)		1,038,773	2,451,502
V	Profit Before Exceptional and Extraordinary Items and Tax	(III-IV)	292,027	587,298
VI	Exceptional & Exceptional Items		-	-
VII	Profit Before Tax		292,027	587,298
VIII	Tax Expense:			
	(1) Current Tax Expense Relating to Current Year		96,241	187,853
	(2) Current Tax Expense Relating To Prior Year		-	-
	(3) Deferred Tax	10	(425)	201
	Total Tax Expense		95,816	188,054
IX	Profit for the Period		196,211	399,244
X	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss		-	-
	(ii) Income Tax relating to Items that will not be Reclassified to Profit or Loss		-	-
	B (i) Items that will be Reclassified to Profit or Loss		-	-
	(ii) Income Tax relating to items that will be Reclassified to Profit or Loss		-	-
	Total Other Comprehensive Income For The Period		-	-
XI	Total Comprehensive Income For The Period (IX+X) (Comprising Profit /(loss) and Other Comprehensive Income for the period)		196,211	399,244
XIV	Earning per equity share			
	Basic Earning Per Share of FV of Rs 10, Rs 10 Paid Up		0.06	0.12
	Basic Earning Per Equity Share (Excluding Exceptional Items)		0.06	0.12
	Diluted Earning Per Share of FV of Rs 10, Rs 10 Paid Up .		0.06	0.12

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 NEELESH KUMAR JAIN

FOR KINETIC TRUST LIMITED

Sd/-

NEELESH KUMAR JAIN
CHARTERED ACCOUNTANTS
M.No.- 511815

Sd/-
VINOD BANSAL
DIRECTOR
DIN- 00044111

Sd/-
RAJESH ARORA
DIRECTOR
DIN- 00662396

Date:-23.05.2018

Place : New Delhi

KINETIC TRUST LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31.03.2018

	Particulars	For the Year Ended 31 March 2018	For the Year Ended 31 March 2017
A.	CASH FLOW FROM OPERATING ACTIVITIES		
	Profit before Tax	292,027	587,298
	<u>Add Back</u>		
	Depreciation	16,946	16,946
		308,973	604,244
	<u>Deduct:</u>		
	Interest Income	1,210,800	1,588,800
		1,210,800	1,588,800
	Operating Profit before working capital changes	(901,827)	(984,556)
	(Increase)/Decrease in Trade and Other Receivable	(90,975)	(1,854,022)
	Increase/ (Decrease) in Current Liabilty and Provisions	(98,611)	1,187,563
		(189,586)	(666,459)
	Cash Generated from Operations	(1,091,413)	(1,651,015)
	<u>Deduct:</u>		
	Current Tax	96,241	187,853
	NET CASH INFLOW FROM OPERATING ACTIVITIES ----'	(1,187,654)	(1,838,868)
B.	CASH FLOW FROM INVESTING ACTIVITIES		
	<u>Outflow</u>		
	Purchase of Fixed Assets	-	-
	Increase/(Decrease) in Investment	-	-
		-	-
	<u>Inflow</u>		
	Interest Income	1,210,800	1,588,800
	NET CASH USED IN INVESTING ACTIVITIES ----'B'	1,210,800	1,588,800
C.	CASH FLOW FROM FINANCING ACTIVITIES		
	(Increase)/Decrease in Loan and Advance	-	-
		-	-
	NET CASH FROM FINANCING ACTIVITIES ----'C'	-	-
	NET INCREASE/(DECREASE) IN CASH OR CASH	23,146	(250,068)
	Cash/Cash Equivalents at commencement of the year (Opening Balance)	25,196	275,264
	Cash/Cash Equivalents at the end of the year (Closing Balance)	48,341	25,196

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

For NEELESH KUMAR JAIN

FOR KINETIC TRUST LIMITED

Sd/-
NEELESH KUMAR JAIN
CHARTERED ACCOUNTANTS
M.No.- 511815

Sd/-
VINOD BANSAL
DIRECTOR
DIN- 00044111

Sd/-
RAJESH ARORA
DIRECTOR
DIN- 00662396

Date:-23.05.2018
Place : New Delhi

KINETIC TRUST LIMITED
BALANCE SHEET AS ON 31ST MARCH, 2018

NOTE-1 PROPERTY, PLANT & EQUIPMENT

Amount In Rs.

S. No.	Particulars	Gross block				Accumulated depreciation and impairment			Net Block		
		As at 1st April 2017	Additions	Disposals during the year	As at 31st March, 2018	As at 1 April, 2017	Addition for the year	Deduction for the year	As at 31st March, 2018	As at 31st March, 2018	As at 31st March, 2017
I	<u>TANGIBLE ASSETS</u>										
	Office Building-1406 Vikram Tower	2,868,250			2,868,250	380,145	15,206		395,351	2,472,899	2,488,106
	Plant & Equipment	366,320			366,320	351,484	1,740		353,224	13,096	14,836
	TOTAL (A)	3,234,570	-	-	3,234,570	731,629	16,946	-	748,575	2,485,996	2,502,942
	<u>INTANGIBLE ASSETS</u>				-				-	-	-
	TOTAL (B)	-	-	-	-	-	-	-	-	-	-
	CAPITAL WORK-IN-PROGRESS				-	-			-	-	-
	TOTAL (C)	-	-	-	-	-	-	-	-	-	-
	TOTAL (A+B+C)	3,234,570	-	-	3,234,570	731,629	16,946	-	748,575	2,485,996	2,502,942

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
BALANCE SHEET AS ON 31ST MARCH, 2018

NOTE-1 PROPERTY, PLANT & EQUIPMENT

Amount In Rs.

S. No.	Particulars	Gross block				Accumulated depreciation and impairment			Net Block		
		As at 1st April 2016	Additions	Disposals during the year	As at 31st March, 2017	As at 1 April, 2016	Addition for the year	Deduction for the year	As at 31st March, 2017	As at 31st March, 2017	As at 31st March, 2016
I	<u>TANGIBLE ASSETS</u>										
	Office Building-1406 Vikram Tower	2,868,250			2,868,250	364,939	15,206		380,145	2,488,105	2,503,311
	Plant & Equipment	366,320			366,320	349,744	1,740		351,484	14,836	16,576
	TOTAL (A)	3,234,570	-	-	3,234,570	714,683	16,946	-	731,629	2,502,941	2,519,887
	<u>INTANGIBLE ASSETS</u>										
	TOTAL (B)	-	-	-	-	-	-	-	-	-	-
	CAPITAL WORK-IN-PROGRESS				-	-		-	-	-	-
	TOTAL (C)	-	-	-	-	-	-	-	-	-	-
	TOTAL (A+B+C)	3,234,570	-	-	3,234,570	714,683	16,946	-	731,629	2,502,941	2,519,887

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
BALANCE SHEET AS ON 31ST MARCH, 2018

Note : 2 Investment

Amount In Rs.

Sr. No	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
1	Investment in Equity Instrument			
	Unquoted Investment			
	Chilka Fin Trade Pvt. Ltd (1,00,000 shares of Rs. 1	1,000,000	1,000,000	1,000,000
	Vishamber Sahai Fin Pvt. Ltd. (30,000 shares of R	1,100,000	1,100,000	1,100,000
	Total in Rs.	2,100,000	2,100,000	2,100,000

Note : 3 Loans

Amount In Rs.

Sr. No	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
I)	Security Deposit			
	Unsecured, Considered Good :			
	D.E.S.U.	3,000	3,000	3,000
II)	Other Loans & Advances			
	Unsecured :-			
	Considered Good :			
	Hindson Warehousing	204,603	204,603	204,603
	Kinsoft Solutions Pvt. Ltd.	33,000	33,000	33,000
	Santosh Kumar Diwedi	50,000	50,000	50,000
	Vinay Pal Jain	928,023	928,023	928,023
	Hindustan Rasayan Pvt. Ltd.	3,442,417	3,442,417	3,442,417
	Total in Rs.	4,661,043	4,661,043	4,661,043

Note : 4 Trade Receivables

Amount In Rs.

Sr. No	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
1	Outstanding for more than six months			
	Unsecured, Considered Good :			
	Exalt Fin Cap Ltd.	3,500,000	3,500,000	3,500,000
	Kinsoft Solutions Pvt. Ltd.	10,050	10,050	10,050
	Vishamber Sahai Fin Pvt. Ltd.	1,238,000	350,000	350,000
2	Outstanding for Less Than Six Months			
	Arora & Bansal	540,227	1,675,227	1,713,486
	Total in Rs.	5,288,277	5,535,277	5,573,536

Note : 5 Cash & Bank Balance

Amount In Rs.

Sr. No	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
1	Cash-in-Hand			
	Cash Balance	5,003	5,703	252,987
	Sub Total (A)	5,003	5,703	252,987
2	Bank Balance			
	Bank Of India	5,691	6,901	13,671
	State Bank of India	37,647	12,592	8,606
	Sub Total (B)	43,338	19,492	22,277
3	Cheques on Hand			
		-	-	-
	Total in Rs.[A + B + C]	48,341	25,195	275,264

Note : 6 Loans & Advances

Amount In Rs.

Sr. No	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
1	Others			
	<i>Advance Recoverable in cash or in kind or for value to be considered good</i>			
	Vishamber Sahai Financiers Pvt. Ltd.	14,722,200	14,838,000	15,650,000
	Chilka Fin Trade Pvt. Ltd.	1,314,520	1,250,800	1,180,000
	Sanksons Paper Pvt. Ltd.	5,235,800	4,982,000	4,700,000
	Rector Finlease Pvt. Ltd.	6,148,000	6,148,000	5,800,000
	Matrix E-services Pvt. Ltd.	1,875,000	1,875,000	-
	Total in Rs.	29,295,520	29,093,800	27,330,000

Note : 7 Other Current Assets

Amount In Rs.

Sr. No	Particulars	As at 31st March 2018	As at 31st March 2017	As at 1st April 2016
1	Service Tax Receivable	45,981	8,481	-
2	Income Tax Refund (F. Yr.-2007-2008)	65,437	65,437	65,437
3	Self Assessment Tax	18,600	18,600	18,600
4	Tax Deducted at Source	971,907	873,152	753,152
	Total in Rs.	1,101,925	965,670	837,189

KINETIC TRUST LIMITED

BALANCE SHEET AS ON 31ST MARCH, 2018

Note -8 Equity Share capital

(i) Detail of Share Capital

Amount In Rs.

Sr. No.	Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April,2016	
		Number of shares	Amount	Number of shares	Amount	Number of shares	Amount
1	Authorised Equity shares of Rs. 10 each with voting rights	3,500,000	35,000,000	3,500,000	35,000,000	3,500,000	35,000,000
2	Issued Equity shares of Rs. 10 each with voting rights	3,360,000	33,600,000	3,360,000	33,600,000	3,360,000	33,600,000
3	Subscribed and fully paid up Equity shares of Rs. 10 each with voting rights	3,360,000	33,600,000	3,360,000	33,600,000	3,360,000	33,600,000

(ii) Reconciliation of number of shares outstanding at the beginning and at the end of the reporting year

Amount In Rs.

Sr. No.	Particulars	As at 31st March, 2018		As at 31st March, 2017		As at 1st April,2016	
		No. of Shares	Amount. (Rs)	No. of Shares	Amount. (Rs)	No. of Shares	Amount. (Rs)
	Equity Shares						
	Shares outstanding at the beginning of the year	3,360,000	33,600,000	3,360,000	33,600,000	3,360,000	33,600,000
	Add : Issued during the year for cash	-	-	-	-	-	-
	Less:- Buy Back or any other changes	-	-	-	-	-	-
	Shares outstanding at the end of the year	3,360,000	33,600,000	3,360,000	33,600,000	3,360,000	33,600,000

(iii) Details of shares held by each shareholder :

Sr. No.	Class of shares / Name of shareholder	As at 31st March, 2018		As at 31st March, 2017		As at 1st April,2016	
		Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
1	<u>Equity shares with voting rights</u>						
	DD Securities Ltd.	455,000	13.54%	455000	13.54%	455,000	13.54%
	Aditya Financial Consultant Pvt.Ltd.	420,000	12.50%	420000	12.50%	420,000	12.50%
	Master Flow Pvt. Ltd.	274,000	8.15%	274000	8.15%	274,000	8.15%
	Striker Finvest Pvt. Ltd.	240,000	7.14%	240000	7.14%	240,000	7.14%
		1,389,000	41.34%	1,389,000	41.34%	1,389,000	41.34%

KINETIC TRUST LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED ON 31st MARCH 2018

A. Equity Share Capital				Amount In Rs.		
Particulars	Balance at the beginning of the reporting period	Changes in equity share capital during year	Balance at the end of the reporting year			
For the year ended 31st March, 2018	33,600,000	-	33,600,000			
For the year ended 31st March, 2017	33,600,000	-	33,600,000			
B. Other Equity				Amount In Rs.		
Particulars	Share Application Money Pending	RESERVES AND SURPLUS				Total
		Revaluation Reserve Reserve	Security Premium Reserves	Statutory Reserve	Retained Earnings	
Balance as at 1 April 2015		129,200		132,095	3,079,731	3,341,026
Profit for the year					662,097	662,097
Transfer from Retained Earning				132,419		132,419
Transfer To Statutory Reserve				-	132,419	132,419
Balance as at 31st March, 2016	-	129,200	-	264,514	3,609,409	4,003,123
Profit for the year					399,244	399,244
Transfer from Retained Earning				79,849		79,849
Transfer To Statutory Reserve					79,849	79,849
Balance as at 31st March, 2017	-	129,200	-	344,363	3,928,804	4,402,367
Profit for the year					196,211	196,211
Transfer from Retained Earning				39,242		39,242
Transfer To Statutory Reserve					39,242	39,242
Balance as at 31st March, 2018	-	129,200	-	383,605	4,085,773	4,598,579

Note : 9 Long Term Borrowing

Amount In Rs.

Sr. No	As at 31st March, 2018	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
1	Other Loans & Advances	-	-	-
	Advances ESCROW	350,000	350,000	350,000
	Total in Rs.	350,000	350,000	350,000

Note- 10 Deferred Tax Liability

Amount In Rs.

Sr. No	Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Deferred Tax Liabilities			
	Deffered Tax Liabilites due to Depreciation	46,052	46,477	46,276
	Deffered Tax Liabilites due to Business Loss	-	-	-
	Deffered Tax Liabilites due to OCI	-	-	-
	Gross Deffered Tax Liabilities	46,052	46,477	46,276
	Net Closing Deffered Tax Liabilities	46,052	46,477	46,276
	Less:- Opening Net Deffered Tax Liabilities	46,477	46,276	100,373
	Deffered Tax (Income)/Exp. During The Year	(425)	201	(54,097)

Note : 11 Trades Payable

Amount In Rs.

Sr. No	Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
	Sundry Creditors for Services:			
1	Matrix Processing House	835,982	835,982	835,982
2	Vikram Tower Maintenance Group	140,196	140,196	68,715
3	Link Intime India P. Ltd.	-	29,396	19,916
	Total in Rs.	976,178	1,005,574	924,613

Note : 12 Other Current Liabilities

Amount In Rs.

Sr. No	Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
1	Audit Fee payable	131,251	116,251	99,076
2	Director Sitting Fee Payable	78,000	78,000	72,000
3	Electricity Expenses Payable	7,120	5,820	7,450
4	Salary Payable	291,178	345,221	102,500
5	Bonus Payable	-	130,200	145,628
6	Expenses Payable	618,881	618,881	22,362
7	Jay Ess Worlds Travels	1,076,993	1,076,993	1,076,993
8	Arora and Bansal (Advance against Property)	2,100,000	2,100,000	2,100,000
9	TDS Payable	7,907	7,907	802
10	Service Tax Payable	45,000	45,000	-
	Total in Rs.	4,356,330	4,524,273	3,626,811

Note : 13 Current Tax Liability

Amount In Rs.

Sr. No	Particulars	As at 31st March, 2018	As at 31st March, 2017	As at 1st April, 2016
1	Others			
	Provision Against Standarded Assets	103,751	101,265	79,978
	Provision for Income Tax	950,211	853,970	666,117
	Total in Rs.	1,053,963	955,235	746,095

KINETIC TRUST LIMITED*Notes Forming Part of the Profit & Loss Accounts as at 31st March, 2018**Note : 14 Revenue from Operations*

Sr. No	Particulars	For the Year Ended 31st March, 2018		For the Year Ended 31st March, 2017
	<u>FEES AND SERVICE CHARGES</u>			
	Business Income	120,000		1,450,000
	Interest Income (NBFC)	1,210,800		1,588,800
	Total in Rs.	1,330,800		3,038,800

Note : 15 Employment Benefit Expenses

Sr. No	Particulars	For the Year Ended 31st March, 2018		For the Year Ended 31st March, 2017
1	Salary	507,179		960,781
2	Bonus to Staff	-		130,200
3	Staff Welfare Expenses	-		40,677
	Total in Rs.	507,179		1,131,658

Note : 16 Financial Cost

Sr. No	Particulars	For the Year Ended 31st March, 2018		For the Year Ended 31st March, 2017
1	Bank Charges	1,503		1,750
2	Interest Exp.	-		-
	Total in Rs.	1,503		1,750

Note : 17 Depreciation & Amortised Cost

Sr. No	Particulars	For the Year Ended 31st March, 2018		For the Year Ended 31st March, 2017
1	Depreciation	16,946		16,946
	Total in Rs.	16,946		16,946

Note : 18 Other Expenses

Sr. No	Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
1	Advertisement & Publicity	38,850	37,365
2	Newspaper, Books and Periodicals	-	11,152
3	Travelling and Conveyance	-	140,323
4	Postage, Courier and Telegram	-	11,000
5	Legal & Professional	44,417	111,833
6	Printing & Stationery	-	25,541
7	Telephone Expense	2,987	43,763
8	Repair & Maintenance	-	12,362
9	Statutory Audit Fee	15,000	17,175
10	Electricity Expense	119,650	123,220
11	Director Sitting Fee	-	6,000
12	Listing Fee	250,000	229,000
13	Property Tax	-	22,581
14	Filing Fees	-	10,885
15	Misc. Exp	39,754	386,465
16	Generator Expenses	-	13,500
17	Office Maintenance	-	77,697
	Total in Rs.	510,658	1,279,862

Note-19 Earnings Per Equity Share

Particulars	For the Year Ended 31st March, 2018	For the Year Ended 31st March, 2017
Net Profit for The Year	196,211	399,244
Weighted average number of equity shares outstanding during the year	3,360,000	3,360,000
Basic Earnings Per Share	0.06	0.12
BASIC EARNINGS PER EQUITY SHARE (EXCLUDING EXTRAORDINARY ITEMS)		
Net Profit For the Year (Excluding Extraordinary Items)	196,211	399,244
Weighted average number of equity shares outstanding during the year	3,360,000	3,360,000
	0.06	0.12
DILUTED EARNINGS PER EQUITY SHARE		
Net profit for the year	196,211	399,244
Weighted average number of equity shares outstanding during the year	3,360,000	3,360,000
Diluted Earning Per Share	0.06	0.12

KINETIC TRUST LIMITED
RECONCILIATION OF BALANCE SHEET

(Currency : Indian Rupees)

	Particulars	As per Previous GAAP As at 1st April 2016	IND AS Impact	IND AS As at 01st April, 2016	As per Previous GAAP as at 31st March, 2017	IND AS Impact	IND AS As at 01st April, 2017
A	Assets						
I	Non-Current Assets						
(a)	Property, Plant & Equipments						
	(i) Tangible assets	2,519,887	-	2,519,887	2,502,942	-	2,502,942
	(ii) Intangible assets	-	-	-	-	-	-
(b)	Capital Work - In - Progress						
(c)	Financial Assets						
	(i) Investments	2,100,000	-	2,100,000	2,100,000	-	2,100,000
	(ii) Loans	4,661,043	-	4,661,043	4,661,043	-	4,661,043
	Sub - Total (1)	9,280,930		9,280,930	9,263,985		9,263,985
II	Current Assets						
(a)	Inventories						
(b)	Financial Assets						
	(i) Trade Receivables	5,573,536	-	5,573,536	5,535,277	-	5,535,277
	(ii) Cash & Cash Equivalents	275,264	-	275,264	25,195	-	25,195
	(iii) Loans	27,330,000	-	27,330,000	29,093,800	-	29,093,800
	(iv) Other Financial Assets						
(c)	Current Tax Assets						
(d)	Other Current Assets	837,189	-	837,189	965,670	-	965,670
	Sub - Total (2)	34,015,988		34,015,988	35,619,941		35,619,941
	Total Assets (1+2)	43,296,918		43,296,918	44,883,926		44,883,926
B	Equity and Liabilities						
I	Equity						
(a)	Equity Share Capital	33,600,000	-	33,600,000	33,600,000	-	33,600,000
(b)	Other Equity						
	(i) Revaluation Reserve	129,200	-	129,200	129,200	-	129,200
	(ii) General Reserve	264,514	-	264,514	344,363	-	344,363
	(iii) Retained Earnings	3,609,409	-	3,609,409	3,928,804	-	3,928,804
	Equity Attributable to Equity Share Holders						
	Non-Controlling Interests						
	Total Equity	37,603,123		37,603,123	38,002,367		38,002,367
II	Non-Current Liabilities						
(a)	Financial Liabilities						
	(i) Long-Term Borrowings	350,000	-	350,000	350,000	-	350,000
	(ii) Deferred Tax Liabilities (Net)	46,276	-	46,276	46,477	-	46,477
	(iii) Other Long Term Liabilities						
III	Current Liabilities						
(a)	Financial Liabilities						
	(i) Short Term Borrowings						
	(ii) Trade Payables	924,613	-	924,613	1,005,574	-	1,005,574
(b)	Other Current Liabilities	3,626,811	-	3,626,811	4,524,273	-	4,524,273
(c)	Current Tax Liabilities	746,095	-	746,095	955,235	-	955,235
	Sub - Total (5)	5,693,795		5,693,795	6,881,559		6,881,559
	Total liabilities	43,296,918		43,296,918	44,883,926		44,883,926

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 NEELESH KUMAR JAIN

FOR KINETIC TRUST LIMITED

Sd/-

NEELESH KUMAR JAIN
CHARTERED ACCOUNTANTS
M.No.- 511815

Sd/-

VINOD BANSAL
DIRECTOR
DIN- 00044111

Sd/-

RAJESH ARORA
DIRECTOR
DIN- 00662396

Date:-23.05.2018
Place : New Delhi

KINETIC TRUST LIMITED
RECONCIALATION OF STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED ON 31.03.2017

(Currency : Indian Rupees)

Sr. No.	Particulars	As per Previous GAAP for the year ended 31st March 2017	IND AS Impact	IND AS for the year ended 31st March 2017
I	Revenue from Operations	3,038,800	-	3,038,800
II	Other Income	-		-
III	Total Revenue (I+II)	3,038,800		3,038,800
IV	Expenses:			
	Employee Benefits Expenses	1,131,658	-	1,131,658
	Contingent Provision against Standered Assets	21,287	-	21,287
	Finance Costs	1,750	-	1,750
	Depreciation and Amortization Expenses	16,946	-	16,946
	Other Expenses	1,279,862	-	1,279,862
	Total Expenses (IV)	2,451,503		2,451,502
V	Profit Before Exceptional and Extraordinary Items and Tax	587,297	-	587,298
VI	Exceptional & Exceptional Items	-	-	-
VII	Profit Before Tax	587,297	-	587,298
VIII	Tax Expense:			
	(1) Current Tax Expense Relating to Current Year	187,853	-	187,853
	(2) Curemnt Tax Expense Relating To Prior Year	-		-
	(3) Deferred Tax	201	-	201
	Total Tax Expense	188,054		188,054
IX	Profit for the Period	399,244		399,244
X	Other Comprehensive Income			
	A (i) Items that will not be reclassified to profit or loss	-		-
	(ii) Income Tax relating to Items that will not be Reclassified to Profit or Loss	-		-
	B (i) Items that will be Reclassified to Profit or Loss	-		-
	(ii) Income Tax relating to items that will be Reclassified to Profit or Loss	-		-
	Total Other Comprehensive Income For The Period	-		-
XI	Total Comprehensive Income For The Period (IX+X) (Comprising Profit /(loss) and Other Comprehensive Income for the period)	399,244		399,244
XIV	Earning per equity share			
	Basic Earning Per Share of FV of Rs 10, Rs 10 Paid Up	0.12		0.12
	Basic Earning Per Equity Share (Excluding Exceptional Items)	0.12		0.12
	Diluted Earning Per Share of FV of Rs 10, Rs 10 Paid Up .	0.12		0.12

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 NEELESH KUMAR JAIN

FOR KINETIC TRUST LIMITED

Sd/-

NEELESH KUMAR JAIN
CHARTERED ACCOUNTANTS
M.No.- 511815

Sd/-

VINOD BANSAL
DIRECTOR
DIN- 00044111

Sd/-

RAJESH ARORA
DIRECTOR
DIN- 00662396

Date:-23.05.2018

Place : New Delhi

KINETIC TRUST LIMITED

Corporate Information:

Kinetic Trust Limited ("the Company") is a public company incorporated on 12th 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 :- 20. SIGNIFICANT ACCOUNTING POLICIES

1 FIRST TIME ADOPTION OF IND AS

The adoption of Ind AS was carried out in accordance with Ind AS 101, using 1st April, 2016 as the transition date. Ind AS 101 requires that all Ind AS standards that are effective for the first Ind AS Financial Statements be applied consistently and retrospectively for all periods presented. The resulting difference between the carrying amounts of the assets and liabilities in the financial statements under Ind AS and Previous GAAP as at the transition date are recognized directly in equity.

Being first time adoption of IND AS, the company has availed the following exemptions as granted under Appendix C & D of IND AS 101 :-

i). The company elects not to apply IND AS-103 retrospectively, pertaining to business combinations occurred before transition date.

ii). Carrying values for all of its Property, Plant and Equipment, Intangible assets and Investment property as at the date of transition to IND AS, measured as per previous GAAP have been treated as their deemed costs as at the date of transition.

iii). Carrying value for all of its investment in subsidiaries, Joint Ventures and Associates as at the date of transition to IND AS, measured as per previous GAAP are treated as their deemed costs as at the date of transition.

b) If any, retrospective impacts of transition from previous GAAP to IND AS on assets and liabilities have been adjusted against "Other Equity" on 1st April 2016.

c) Exemptions from retrospective application:-

Following are the optional exemptions which the Company has opted to apply / not to apply:

Changes in decommissioning liabilities included in the cost of property, plant and equipment exemption - The Company does not have decommissioning, restoration and similar liabilities in the cost of property, plant and equipment and hence the exemption is not applicable.

d) Exceptions from full retrospective application

Estimates Exception - Upon review of the estimates made under Previous GAAP, the Company concluded that there was no necessity to revise the estimates under Ind AS except where estimates were required by Ind AS and not required by Previous GAAP.

Derecognition of Financial Assets and Liabilities Exception - Financial assets and liabilities derecognized in accordance with Previous GAAP are not re-recognized under Ind AS. The Company has chosen not to apply the Ind AS 109 derecognition criteria to an earlier date. No arrangements were identified that had to be assessed under this exception.

f) Reconciliations: The following reconciliations provide a quantification of the effect of the transition to Ind AS from Previous GAAP in accordance with Ind AS 101:-

Equity as at 1st April, 2016 (Transition date).

Equity as at 31 March, 2017.

Statement of profit and loss for the year ended 31 March, 2017.

ACCOUNTING SYSTEM - The Company follows Mercantile System of Accounting, recognizing Income and Expenditure on accrual basis. The accounts are prepared on historical cost basis and as a going concern except for the items that have been measured at fair value as required by relevant Ind AS.

2 USE OF ESTIMATES

IND AS enjoins management to make estimates and assumptions related to financial statements, cost incurred in the transaction including same to complete the transaction and revenue that affect reported amount of assets, liabilities, revenue, expenses and contingent liabilities pertaining to the year. Actual result may differ from such estimates. Any revision in accounting estimates is recognized prospectively in the period of change and material revision, including its impact on financial statements, is reported in the notes to accounts in the year of incorporation of revision. Revisions to Accounting estimates are recognized in the period in which the estimates are revised and any future periods effected pursuant to such revision.

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.

FIXED ASSETS: Fixed Assets are stated at cost of acquisition inclusive of freight & incidental expenses less depreciation thereof.

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.

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.

PROVISION FOR TAXATION: Provision for Taxation is computed as per total income returnable under the Income Tax Act, 1961.

DEFERRED TAX: Deferred Tax Liability is provided pursuant to Indian Accounting Standard [IND AS-12 "Income Taxes"]. 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.

OTHER ACCOUNTING POLICIES: These are consistent with the generally accepted accounting policies.

3. PROPERTY, PLANTS AND EQUIPMENTS

Property, Plant and Equipment are stated at cost less accumulated depreciation and accumulated losses, if any. Cost includes expenses directly attributable to bringing the Asset to their location and conditions necessary for it to be capable of operating in the manner intended by the management. Subsequent cost are included in the asset's carrying amount or recognized as separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to profit or loss during the reporting period in which they are incurred. Internally manufactured property, plant and equipment are capitalized at factory cost, including excise duty, wherever applicable.

Assets in the course of construction are capitalized in capital work in progress account. At the point when an asset is capable of operating in the manner intended by the management, the cost of erection/ construction is transferred to the appropriate category of property, plant and equipment cost (net of income and including pre-operative cost / expenses) associated with the commissioning of an asset are capitalized until the period of commissioning has been completed and the asset is ready of its intended use. Property, Plant and Equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of Property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognized in Statement of Profit and Loss in the year of occurrence.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1st April, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment.

Depreciation methods, estimated useful lives and residual value. Depreciation is calculated using the Straight Line Method (SLM) to allocate as per the rate provided in the Schedule II to Companies Act, 2013 having regard to carrying amount of fixed assets as on 01.04.2014, residual value (as prescribed) and remaining useful lives of these assets.

Depreciation on Property, plant and equipment, purchased during current financial year, is provided on SLM Method as per Schedule-II of Companies Act, 2013 having regard to original

cost, residual value (as prescribed) and prescribed useful lives of these assets. Intangible Assets if any have been amortized on the basis of straight line method over the useful life.

The assets residual values, useful lives and methods of depreciation are reviewed at each financial year end and adjusted prospectively, if appropriate. Gains and losses on disposals are determined by comparing proceeds with carrying amount. These are included in the statement of profit and loss within other gains / (losses).

Depreciation on impaired assets is provided on the basis of their residual useful life.

4 INVESTMENTS PROPERTY

Property that is held for long-term rentals yields or for capital appreciation or both, and that is not occupied by the Company, is classified as investment property. Investment property is measured initially at its cost, including related transaction costs and where applicable borrowing costs. Subsequent expenditure is capitalized to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognized. Investment properties are depreciated using the Straight Line Method (SLM) over their estimated useful lives. The useful life has been determined based on technical evaluation performed by the management's expert. The Residual Life, useful lives and depreciation method of investment properties are reviewed, and adjusted on Prospective basis as appropriate, at each financial year end. The effects of any revision are included in the Statement of Profit and Loss when the changes arise.

However, on transition to Ind AS, the Company has no any Investment Property.

5. INTANGIBLE ASSETS: Intangible Assets have been amortized on the basis of straight line method over the useful life. Intangible fixed assets relating to computer software has been taken under the block computer and related equipment during earlier years and has not been classified under the head intangible Fixed Assets.

a) Intangible Assets are initially recognized at:

In case the assets are acquired separately then at cost.

In case the assets are acquired in a business combination then at fair value.

In case the assets are internally generated then at capitalized development cost subject to satisfaction of criteria of recognition (identify ability, control and future economic benefit) laid down from clause 11 to17 of IND AS 38.

Following initial recognition, intangible assets are carried at cost less any accumulated amortization and accumulated impairment loss. Research costs are recognized as expense in the period in which it is incurred.

b) Intangible assets with finite useful life are assessed for impairment whenever there is an indication that the intangible assets may be impaired. Intangible assets with infinite useful life including goodwill are tested for impairment annually.

c) Intangible assets with finite useful life are amortized over the useful economic life on a straight line basis. In case of Patents and Trade Marks the useful life is taken to be 10 years and in case of Software, the useful life is taken as 5 years.

6. IMPAIRMENT OF ASSETS.

Company comes in operation during the financial year 1992-93 only and management of the company have decided that since all the assets was purchased and put to use during the financial year 1992-93 to 2017-18 therefore valuation for impaired assets need not to be made.

IMPAIRMENT OF NON-FINANCIAL ASSETS

- a) An asset is deemed impairable when recoverable value is less than its carrying cost and the difference between the two represents provisioning exigency.
- b) Recoverable value is the higher of the 'Value in Use' and fair value as reduced by cost of disposal.
- c) Test of impairment of PPE, investment in subsidiaries / associates / joint venture and goodwill are undertaken under Cash Generating Unit (CGU) concept. For Intangible Assets and Investment Properties it is undertaken in asset specific context.
- d) Test of impairment of assets are generally undertaken based on indication of impairment, if any, from external and internal sources of information outlined in para 12 of Ind AS-36. Non-financial assets other than goodwill that suffered impairment are reviewed for possible reversal of the impairment at the end of each reporting period.

NOTE :- 21 NOTES ON ACCOUNTS ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS ON 31.03.2018

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

Particulars	Current Year	Previous Year
2. Directors Emoluments:		
Salary (Director)	Nil	Nil
Sitting Fee	Nil	6,000
3. Provision for taxation	96241	1,87,853
4. Dividend	Nil	Nil
5. Foreign Exchange- Inflow	Nil	Nil
Outflow	Nil	Nil
6. Director Traveling (Local)	Nil	Nil
(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 Ind AS -24 "Related Party Disclosures" 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 31.03.2018	Balance as on 31.03.2017
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	Receipt of Outstanding Consultancy Services	11,35,000/-	5,40,227/- Dr.	16,75,227/- 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.
Matrix E Services Pvt. Ltd.	Loan & Advances	Nil	18,75,000/- Dr.	18,75,000/- 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 Indian Accounting Standard (IND AS- 12 "Income Tax"). The details are as under:

Particulars	<u>As at</u> 31.03.2018 (Rs.)	<u>As at</u> 31.03.2017 (Rs.)
(A) Deferred Tax Liability on account of		
i. Depreciation	46,052	46,477
ii. Misc. Expenditure	Nil	Nil
Total (A)	46,052	46,477
(B) Deferred Tax Asset on account of		
i. Unabsorbed Depreciation	Nil	Nil
ii. Misc. Expenditure	Nil	Nil
iii. Provisions	NIL	NIL
Total (B)	NIL	Nil
Net Deferred Tax Liabilities / (Assets) (A-B)	46,052	46,476

Deferred Tax (Net) amounting to Rs. 425/- has been debited to Profit and Loss Account for the year-ended 31.03.2018

16. **Segmental Reporting**

Indian Accounting Standard –108 'Operating Segments', 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 2nd October, 2006 and hence disclosure, if any, relating to amounts unpaid as on 31st March, 2018 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. 3,80,02,366/- 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 2017-18.

22. There is no change in the management or constitution of the company during the financial year 2017-18.
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.

NEELESH KUMAR JAIN
CHARTERED ACCOUNTANTS

FOR KINETIC TRUST LIMITED

Sd/-
NEELESH KUMAR JAIN
M. No-511815

Sd/-
Vinod Bansal
DIN-00044111
Director

Sd/-
Rajesh Arora
DIN-00662396
Director

Date- 23.05.2018
Place:- New Delhi