



**KINETIC
TRUST LIMITED**

**21st
Annual Report
2012 - 2013**

BOARD OF DIRECTORS

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

BANKERS

State Bank of India
Bank of India

AUDITORS

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

LEGAL ADVISORS

Mr. Pramod Verma

REGISTERED OFFICE

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

CORPORATE OFFICE

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

**SHARE TRANSFERS AND OTHER
COMMUNICATIONS**

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

INVESTOR'S GRIEVANCES

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

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FORWARD-LOOKING STATEMENT

This Annual Report includes forward looking statements, including statements reflecting management's current views relating to the growth of the market, future market conditions, future events, and expected operational and financial performance. This report and other statements – written and oral – that we periodically make, contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. The words "believe", "expect", "foresee", "anticipate", "assume", "intend", "may", "could", "plan", "estimate", "will", "should", "could", "aim", "ambition", "target", "might" or, in each case, their negative, and similar words are intended to help identify forward-looking statements with identification of future statements. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, our actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

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

NOTICE

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

Day : Saturday
Date : 21.09.2013
Time : 12:30 p.m.
Place : 527R, City Tower, 2nd Floor, Model Town, Ludhiana-141002

To transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2013 and Profit & Loss account for the year ended on that date together with the reports of the Board of Directors and Auditors thereon.
2. To appoint Directors in place of those retiring by rotation.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company.

For and on behalf of the Board of Directors

Sd/-

Vinod Bansal

Director

Date: 10th August, 2013

Place: New Delhi

NOTES

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company. Proxies in order to be effective must be received by the company not less than 48 hours before the meeting.
2. All the documents referred to in the accompanying Notice are open for inspection at the Registered Office of the company during Office hours on all working days except Sundays and Holidays between 12:30 p.m. and 1:30 p.m. up to the date of this Annual General Meeting.
3. Members desiring any information on accounts etc. are requested to write to the Company at least 10 days in advance of the Meeting so as to enable the Management to keep the information ready.
4. Members/Proxies should bring the Attendance Slip duly filled in for attending the meeting.
5. The Register of Members & Share Transfer Books will remain closed from 16th September, 2013 to 19th September, 2013.
6. Shareholders are requested to intimate the Company for change of address, if any, immediately for updating of records.
7. No gifts will be distributed in the Annual General Meeting.

DIRECTOR'S REPORT

Dear Members,
Kinetic Trust Limited,
Ludhiana

Your directors take great pleasure in bringing this Twenty First Annual Report on the business and operations of the company for the Financial Year 2012-13.

FINANCIAL RESULTS

The financial highlights of the company in the financial year 2012-13 as compared to the previous year are tabled below for your consideration:

PARTICULARS	Amount in ₹Rs. Lacs	
	CURRENT YEAR	PREVIOUS YEAR
Sales	38.98	28.05
Other Income	2.13	4.82
Profit (Loss)/before extraordinary Items and tax	8.76	6.28
Less extraordinary items	-	-
Profit/(loss) before tax	8.76	6.28
Dividend	Nil	Nil

PERFORMANCE OF THE COMPANY

This year again the income from consultancy has shown improvement as compared to the last year's income. The directors of the company shall continue their endeavor to further improve the trend of growth in the years to come.

AUDITORS

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

DIRECTORS

There was no change in the Directors during the year. In accordance with the provision of the Companies Act, 1956 and Articles of Association of the Company Mr. Vinod Bansal retires at the 21st Annual General Meeting and being eligible offers himself for re-appointment.

DIRECTOR'S RESPONSIBILITY

The directors' responsibility statement as required under section 217(2AA) of the Companies Act, 1956, reporting the compliance with the accounting standards, it is hereby confirmed that

- a) In the preparation of the annual accounts for the year ended March 31, 2013 the applicable accounting standards read with requirements set out under schedule VI to the companies Act 1956 have been followed and there are no material departures from the same.
- b) The directors have selected such accounting policies that are reasonable, prudent and applied them consistently and made judgments and estimates so as to give a true and fair view of the state of affairs of the company as at March 31, 2013 and of the profit of the company for the year ended on that date.
- c) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 1956 for safe guarding the assets of the company and for preventing and detecting fraud and other irregularities.
- d) The directors have prepared the annual returns of the company on a going concern basis.

REGISTRATION WITH RESERVE BANK OF INDIA AS NBFC

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

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

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

PARTICULARS OF EMPLOYEES

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

AUDITORS REPORT

There are no adverse remarks in the Auditors' Reports which need to be discussed. The notes referred to by the auditors in their report are self explanatory and therefore these do not call for any future comments on the Auditors Report under section 217(3) of the Companies Act, 1956.

CORPORATE GOVERNANCE

The company has strictly followed and practiced the well-defined Corporate Governance policies in the interest of all stakeholders and is committed to maintain the standards of corporate governance. Towards this end the company has been fair, transparent, accountable and efficient at all levels. Report on corporate governance and management discussion and analysis alongwith corporate governance certificate from Auditors are set out as separate annexure to this report.

MANAGEMENT DISCUSSION AND ANALYSIS

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

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

The company is a NBFC, therefore the information with regard to conservation of energy, technology absorption as required by the Companies (Disclosure of particulars in the board of directors) Rules 1988

relating to conservation of energy and technological absorption do not apply and hence no disclosure is being made in this report.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

Particulars	Current Year (2012-2013)	Previous Year (2011-2012)
(a) Foreign Exchange Inflow		
Foreign Exchange	Nil	
Outflow		

OTHER INFORMATION

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

ACKNOWLEDGEMENTS

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

Directors also place on record their appreciation for the commitment, involvement and dedication exhibited by each staff member in the overall development and growth of the company.

For and on behalf of the Board of Directors

Date: 10.08.2013
Place: New Delhi

Sd/-
Vinod Bansal
Director

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, the Directors hereby confirm the responsibility for the integrity and objectivity of the Profit & Loss Account for the year ended 31st March, 2013 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, 2013 the applicable accounting standards read with requirements set out under schedule VI to the companies Act 1956 have been followed and there are no material departures from the same.
2. We have selected such accounting policies that are reasonable, prudent and applied them consistently and made judgments and estimates so as to give a true and fair view of the state of affairs of the company as at March 31, 2013 and of the profit of the company for the year ended on that date.
3. We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 1956 for safe guarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. We have prepared the annual returns of the company on a going concern basis

For and on behalf of the Board of Directors

Date: 10.08.2013
Place: New Delhi

**Sd/-
Vinod Bansal
Director**

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The financial statements have been prepared in compliance with the requirements of the Companies Act, 1956, guidelines issued by the Securities and Exchange Board of India (SEBI) and the Generally Accepted Accounting Principles (GAAP) in India. Our Management accepts responsibility for the integrity and objectivity of these financial statements, as well as for the various estimates and judgments used therein. The estimates and judgments relating to the financial statements have been made on a prudent and reasonable basis, so that the financial statements reflect in a true and fair manner the form and substance of transactions, and reasonably present our state of affairs, profits and cash flows for the year.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

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

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

COMPLIANCE CERTIFICATE

In accordance with Section 383A of the Companies Act, 1956, the Company has obtained a certificate from a Company Secretary in whole time practice confirming that the Company has complied with all the provisions of the Companies Act, 1956

CAUTIONARY STATEMENT

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

For and on behalf of the Board

Sd/-

**Vinod Bansal
Director**

**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 2013 as stipulated in Clause 49, of the listing agreement of the said company with the stock exchanges.

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

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

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

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

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

Place: New Delhi
Date: 10.08.2013

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

REPORT ON CORPORATE GOVERNANCE**(Forming part of Director's Report for the year ended 31st March 2013)**

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

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

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

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

BOARD OF DIRECTORS

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

The composition of Board of Directors as on 31st March 2013 is as follows:

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

- Four board meetings were held during the year. The dates on which the meetings were held are as follows:
30th April 2012, 30th July 2012, 30th October 2012 and 31st January 2013,
The attendance of directors at Board Meetings and at the last Annual General Meeting and the number of other directorships and committee memberships in public companies (being a director as on the date of Director's Report) is given below:

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

AUDIT COMMITTEE

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

REMUNERATION TO DIRECTORS

The Directors are not paid any remuneration.

SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE

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

Mr. Ranjan Kumar, the Compliance Officer of the Company attends the shareholders/ investors grievances/ correspondence expeditiously. No share transfers were pending as on 31.03.2013.

GENERAL BODY MEETING

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

POSTAL BALLOT

During the year ended 31st March 2013, no resolutions have been passed through postal ballot process.

COMPLIANCE REPORT

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

CODE OF CONDUCT

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

RISK MANAGEMENT

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

CEO/ CFO CERTIFICATION

As required by Clause 49 of the Listing Agreement, the Certificate duly signed by the Director and the Head Finance and Accounts of the Company, was placed before the Board of Directors at its meeting held on 10th August 2013. The same is being included in this annual report.*

DISCLOSURE

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

The company has complied with the requirements of the stock exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years. There were no penalties imposed nor any strictures passed on the company by the stock exchanges, SEBI or any other statutory authority relating to the above.

MEANS OF COMMUNICATION

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

The results are usually published in the following newspapers:

1. 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).

MANAGEMENT DISCUSSION AND ANALYSIS

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

GENERAL SHAREHOLDER INFORMATION

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

For and on behalf of the Board

Date: 10th August 2013
Place: New Delhi

**Sd/-
Vinod Bansal
Director**

DECLARATION OF CODE OF CONDUCT

This is to confirm that the board has laid down a Code of Conduct for all board members and senior management of the company. It is further confirmed that all directors and senior management personnel of the company have affirmed compliance with the Code of Conduct of the company for the year ended 31st March, 2013, as envisaged in clause 49 of the Listing Agreement with stock exchanges.

For and on behalf of the Board

Date: 10th August 2013
Place: New Delhi

**Sd/-
Vinod Bansal
Director**

CEO/CFO CERTIFICATION
(Under Clause 49 (v) of Listing Agreement)

I certify that:-

- a) I have reviewed the financial statements and the cash flow statement for the year 2012-2013 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 2012-2013 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 2012-2013;
 - Significant changes in accounting policies during the year 2012-2013 and that the same have been disclosed in notes to the financial statements; and
 - There are no instances of significant fraud of which I have become aware and the involvement therein of the management or an employee having a significant role in the Bank's internal control system over the financial reporting

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

♦♦

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

The 21st Annual General Meeting of the Company is scheduled to be held on Saturday, the 21st day of September, 2013 at 12:30 p.m. at 527R, City Tower, Model Town, Ludhiana

(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 16th September, 2013 to 19th September, 2013 (both days inclusive). The company has not declared any dividend.

(d) Listing on Stock Exchange

The Equity shares of the Company are listed on:

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

(e) Registrar and Transfer Agents

M/s Link Intime India Private Limited
44, Community Centre, IInd Floor,
Naraina Industrial Area
Phase-1, Near PVR Naryana,
New Delhi-110028
Tel.: +91 9818022307
Email: bharatb@linkintime.co.in

(f) Share Transfer System

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

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

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

(h) Shareholding Pattern as on 31st March 2013

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

KINETIC TRUST LIMITED

ANNUAL REPORT 2012-2013

I	Individuals- i. Individual Shareholders holding nominal share capital up to Rs 1 lakh	867	711994	78594	21.19	21.19		
II	ii. . Individual Shareholders holding nominal share capital in excess of Rs. 1 lakh.	11	157700	36800	4.69	4.69		
(c)	Any Other(specify)	0	0	0	0.00	0.00		
(c-i)	CLEARING MEMBER	1	600	600	0.02	0.02		
(C-II)	DIRECTORS/ RELATIVES	1	13100		0.39	0.39		
	Sub- Total (B)(2)	900	960000	117700	28.57	28.57		
(B)	Total Public Shareholding (B)= (B)(1)+(B)(2)	900	960000	117700	28.57	28.57		
	TOTAL(A)+(B)	918	3360000	117700	100.00	100.00		
(C)	Shares held by Custodians and against which Depository Receipts have been issued:							
1	Promoter and Promoter Group	0	0	0		0.00	0	0.00
2	Public	0	0	0		0.00	0	
	Sub Total(C)	0	0	0		0	0	
	GRAND TOTAL (A)+(B)+(C)	918	3360000	117700		100.00	0	0.00

(i) Dematerialization of Shares

Electronic/Physical	NO. OF SHARE HOLDERS
NSDL	40
CDSL	41
Physical	838

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 Naryana,
New Delhi-110028

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

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

Declaration as required under Clause 49 of the Listing Agreement

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

I further certify that all the Directors and Senior Management of the Company have affirmed compliance with "Kinetic Trust Ltd. Code of Conduct" for the financial year ended March 31, 2013.

Date: 10th August 2013
Place: New Delhi

For and on behalf of the Board

Sd/-
VINOD BANSAL
(Director)

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

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

(b) Remuneration Committee

The Company has not formed Remuneration Committee.

(c) Shareholders' Rights

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

(d) Audit Qualification

As mentioned in Directors' Report.

(e) Training of Board Members

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

(f) Mechanism of evaluation of Non-Executive Directors

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

(g) Whistle-Blower Policy

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

For & on behalf of the Board of Director

Sd/-

Vinod Bansal
Director

Place: New Delhi
Date: 10th August 2013

INDEPENDENT AUDITORS' REPORT

To

The Members of

KINETIC TRUST LIMITED

Report on Financial Statements

We have audited the accompanying Financial Statements of KINETIC TRUST LIMITED, which comprise the Balance Sheet as at 31st March 2013, the Statement of Profit & Loss and the Cash Flow Statement for the period ended on that date annexed thereto and a summary of significant accounting policies and other explanatory information.

Management Responsibility for the Financial Statements

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

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

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

Opinion

In our opinion and to the best of our information and according to the explanation given to us, the said financial statements together with the notes thereon and attached thereto give in the prescribed manner the information required by the Companies Act 1956 and give a true and fair view in conformity with the accounting principles generally accepted in India:-

- i) In case of the Balance Sheet of the state of affairs of the company as at 31st March 2013 and
- ii) In case of Statement of Profit and Loss, of the profit of the company for the year ended on that date.
- iii) In case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on other Legal & Regulatory requirements

- i) As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order 2004 (hereinafter referred to as "the Order") issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the *Annexure* a statement specified in paragraph 4 & 5 of the said order.
- ii) As required by section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our Audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the company as far as appears from our examination of such books.
 - (c) The Balance Sheet and Profit and Loss Account and Cash Flow Statement dealt by this report are in agreement with the books of accounts.
 - (d) In our opinion, the Balance Sheet and Profit and Loss account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in Sub-section (3C) of section 211 of the Companies Act, 1956.
 - (e) On the basis of written representations received from the directors, as on 31st March 2013, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2013 from being appointed as director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
- iii) As required by the Non- Banking Financial Companies Auditor's Report (Reserve Bank) directions and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give our observations as under:-
 - a) (i) The Company is registered as NBFC with the Reserve Bank of India as required U/S 45-A of the Reserve Bank of India Act, 1934 and the certificate of registration has been granted
(ii) The Company is entitled to hold COR issued by Bank in terms its assets and income patterns as on 31 March of the applicable year.
 - b) As the company is not accepting/holding public deposits, clause 'B' of paragraph 3 of the NBFC Auditor's Report (Reserve Bank) Directions, 2008 is not applicable to this company.
 - c) (i) The Board of Directors have passed a resolution for the non-acceptance of any public deposits.
(ii) The Company has not accepted any public deposits during the relevant year.

- (ii) The company has complied with the prudential norms relating to income recognition, accounting standards, assets classification and provisioning for bad & doubtful debts as applicable to it.
- d) Clause 'D' of the paragraph 3 of NBFC Auditor's Report (Reserve Bank) Directions, 2008 is not applicable to the company.

Place: New Delhi
Date: 13th May 2013

For S.P. Monga & Company
Chartered Accountants
Sd/-
S.P. Monga
(Proprietor)
Membership No. 081562

ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

Annexure referred to in our report to the members of KINETIC TRUST LIMITED for the year ended on 31st March, 2013. We report that:-

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) The fixed assets are physically verified by the management according to a phased programme designed to cover all the items over a period of one year, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed.
- (ii) The Company has maintained proper records of inventory in the books of account.
- (iii) The company has not taken/accepted any unsecured loans from companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956.

The company has not granted any secured or unsecured loans to companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, having regard to the explanation that, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchases and sale of security and fixed assets. Further, on the basis of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control procedures.
- (v) (a) In our opinion and according to the information and explanations given to us, the transactions that need to be entered into the register in pursuance of section 301 of the Companies Act, 1956, have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered into the register in pursuance of Section 301 of the Companies Act, 1956 and exceeding the value of five lakh rupees in respect of any party during the year, have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.

- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of Sections 58A, 58AA or any other relevant provisions of the companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 for any of the trading of the Company.
- (ix) (a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues as applicable with appropriate authorities.
- (b) According to the information and explanations given to us, and the records of the company examined by us, there are no dues of income tax, service tax, custom duty and cess which have not been deposited on account of any dispute.
- (x) The company has no accumulated losses as at 31.03.2013 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
- (xi) According to the records of the company examined by us and the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution, bank as at the balance sheet date. The company has not issued any debentures.
- (xii) Based on our examination of documents and records, we are of the opinion that the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/ societies are not applicable to company.
- (xiv) In our opinion and according to the information and explanations given to us and based on our examination of documents and records, the company has not made investment in Equity Shares during the year.
- (xv) In our opinion and according to the information and explanations given to us and based on our examination of documents and records, the company has not given any guarantee for loans taken by others from bank or financial institutions during the year.

- (xvi) The company has not taken any term loan from Bank or financial institutions during the year.
- (xvii) On the basis of an overall examination of the balance sheet of the company, in our opinion and according to the information and explanations given to us, there are no funds raised on a short-term basis, which have been used for long-term investment.
- (xviii) The company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act.
- (xix) The company has not issued any debenture during the year.

The company has not raised any money by public issue during the year.

- (xxi) During the course of our examination of the books and records of the company carried out in accordance with the generally accepted auditing practice in India and according to the information and explanations given to us, no fraud (i.e. intentional material misstatement resultant from fraudulent financial reporting and misappropriation of assets) on or by the company has been noticed or reported during the year by the company.

For S.P. Monga & Company
Chartered Accountants

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

Place: New Delhi
Date: 13th May 2013

KINETIC TRUST LIMITED
BALANCE SHEET AS AT 31.03.2013

(Amount in ₹)

Particulars		Note No.	As at 31.03.2013	A: at 31.03.2012
I	<u>EQUITY AND LIABILITIES</u>			
(1)	Shareholders' funds			
(a)	Share Capital	3	33,600,000	33,600,000
(b)	Reserves and Surplus	4	1,962,278	1,356,275
(c)	Money received against share warrants		-	-
(2)	Share Application money pending allotment			
(3)	Non-Current Liabilities			
(a)	Long- Term Borrowings	5	350,000	350,000
(b)	Deferred Tax Liabilities (Net)	6	86,005	85,753
(c)	Other Long-Term liabilities		-	-
(d)	Long-Term Provisions		-	-
(4)	Current Liabilities			
(a)	Short- Term Borrowings	7	-	-
(b)	Trade Payables	8	1,594,605	1,525,157
(c)	Other Current Liabilities	9	3,472,955	3,928,778
(d)	Short Term Provisions	10	463,352	192,612
Total of Liabilities			41,529,195	41,038,575
II	<u>ASSETS</u>			
(1)	Non-Current Assets			
(a)	Fixed Assets	11		

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	(i) Tangible assets		2,716,387		2,744,484
	(ii) Intangible assets		-		-
	(iii) Capital work in progress		-		-
	(iv) Intangible assets under development		-		-
(b)	Non-Current Investments	12	2,100,000		2,100,000
(c)	Deferred Tax Assets (Net)		-		-
(d)	Long Term Loans and Advances	13	4,048,653		3,851,678
(e)	Other Non-current Assets		-		-
(2)	<u>CURRENT ASSETS</u>				
(a)	Current investments		-		-
(b)	Inventories		-		-
(c)	Trade receivables	14	4,674,800		4,674,800
(d)	Cash and Bank Balances	15	497,872		842,872
(e)	Short-term loans and advances	16	26,655,500		26,430,000
(f)	Other Current Assets	17	835,983		394,737
	Total of Assets		41,529,195		41,038,575

KINETIC TRUST LIMITED
STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED ON 31.03.2013

Amount in ₹

Particulars	Note No.	For the Year Ended 31.03.2013	For the Year Ended 31.03.2012
Revenue from Operations (Gross)	18	3,898,500	2,805,130
Less :- Excise Duty		-	-
Revenue from Operations (Net)		3,898,500	2,805,130
Other Income	19	213,665	482,241
Total Revenue (I+II)		4,112,165	3,287,371
Expenses:			
Cost of Material Consumed		-	-
Purchases of Stock-In-Trade		-	-
Changes in Inventories of Finished Goods, Work-In Progress and Stock-In-Trade		-	-
Employee benefits expenses	20	1,394,050	990,969
Finance Costs	21	2,039	1,306
Depreciation and amortization expenses	22	28,097	28097
Other expenses	23	1,810,984	1,638,962
Total Expenses (IV)		3,235,170	2,659,334
Profit before exceptional and extraordinary items and Tax (III - IV)		876,995	628,037
Add/Less :- Exceptional items		-	-
Profit before extraordinary items and tax (V-VI)		876,995	628,037
Add/ Less :- Extraordinary items		-	-

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Profit before tax (VII - VIII)			876,995		628,037
<u>Tax Expense:</u>					
(1) Current Tax	270,740			192,612	
(2) Deferred Tax	252			1,451	
(3) Income Tax for Previous Year	-		270,992	-	194,063
Profit (Loss) from the period from continuing operations (VII - VIII)			606,003		433,974
Profit (Loss) from Discontinuing operations			-		-
Tax expense of discounting operations			-		-
Profit (Loss) from Discontinuing operations (after tax) (XII-XIII)			-		-
Profit/(Loss) for the period (XI+ XIV)			606,003		433,974
-					
Earning per equity share					
(1) Basic			0.18		0.13
(2) Diluted			0.18		0.13

Particulars		2012-13		2011-12
CASH FLOW FROM OPERATING ACTIVITIES				
Profit before Tax		876,995		628,037
<u>Add Back</u>				
Depreciation	28,097		28,097	
Loss on Sale of Assets	-	28,097	-	28,097
		905,092		656,134
<u>Deduct:</u>				
Interest Income	213,665		482,241	
		213,665		482,241
Operating Profit before working capital changes		691,427		173,893
Adjustment of Trade and Other Receivable	(666,746)		(6,948,326)	
Current Liability and Provisions	(115,635)		2,670,647	
		(782,381)		(4,277,679)
Cash Generated from Operations		(90,954)		(4,103,786)
<u>Deduct:</u>				
Direct Tax paid for A.Y. 10-11	-		-	
Current tax	270,740	270,740	192,612	192,612
NET CASH INFLOW FROM OPERATING ACTIVITIES ----'A'		(361,694)		(4,296,398)
CASH FLOW FROM INVESTING ACTIVITIES				
<u>Outflow</u>				
Purchase of Fixed Assets				
Increase in Investment				
<u>Inflow</u>				
Interest Income	213,665	213,665	482,241	482,241
NET CASH USED IN INVESTING ACTIVITIES ----'B'		213,665		482,241
CASH FLOW FROM FINANCING ACTIVITIES				

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Adjustment of Loans and Advances	(196,975)	4,568,157	4,568,975
	(196,975)	-	-
NET CASH FROM FINANCING ACTIVITIES —'C'	(196,975)		4,568,157
NET INCREASE/(DECREASE) IN CASH OR CASH EQUIVALENTS (A+B+C)	(345,004)		7,54,000
Cash/Cash Equivalents at commencement of the year (Opening Balance)	842,876		88,876
Cash/Cash Equivalents at the end of the year (Closing Balance)	497,872		842,876
FOR KINETIC TRUST LIMITED			
	Sd/- VINOD BANSAL DIRECTOR	Sd/- RAJESH ARORA DIRECTOR	

Note – 1 SIGNIFICANT ACCOUNTING POLICIES

- (a) **ACCOUNTING CONVENTION:** The Financial statements have been prepared in accordance with the historical cost convention and generally accepted accounting principles. A summary of the important accounting policies, which have been followed consistently, is set out below.
- (b) **FIXED ASSETS:** Fixed Assets are stated at cost of acquisition inclusive of freight & incidental expenses less depreciation thereof.
- (c) **DEPRECIATION:** Depreciation on owned Assets has been charged on straight line method as per rates and in the manner prescribed in Schedule-XIV of the Companies Act 1956. No Depreciation has been charged on additions of Rs. 22.12 lacs, on account of revaluation of the office premises during the year 1993-94.
- (d) **INVESTMENTS:** Investments are valued at cost.
- (e) **REVENUE RECOGNITION:**
- (i) Income from consultancy and advisory services is accounted for on accrual basis.
 - (ii) In respect of other heads of income except dividends, the company follows the practice of accounting such income on accrual basis.
 - (iii) Sales and Purchase of the company consists of the sale and purchase of shares in the secondary market and has been accounted for on accrual basis.
 - (iv) All the expenses have been accounted for on mercantile basis.
- (f) **AMORTISATION OF MISC EXPENSES:** The Company amortizes preliminary expenses including public issue expenses over a period of ten years and other deferred revenue expenditure over a period of five years.
- (g) **PROVISION FOR TAXATION:** Provision for taxation is computed as per total income returnable under the Income Tax Act, 1961.
- (h) **DEFERRED TAX:** Deferred Tax Liability is provided pursuant to Accounting Standard [AS-22]. Deferred Tax Asset and Deferred Tax Liability are calculated by applying tax rates and tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred Tax Assets arising mainly on account of brought forward losses and unabsorbed depreciation under tax laws, are recognized, only if there is virtual certainty of its realization, supported by convincing evidence. Deferred Tax Assets on account of other timing differences are recognized only to the extent there is reasonable certainty of its realization.
- (i) **OTHER ACCOUNTING POLICIES:** These are consistent with the generally accepted accounting policies.

Signatures to Notes

For S.P Monga & Company
Chartered Accountants

Sd/-
(S P Monga)
Proprietor
Place: New Delhi
Dated: 13th May 2013

For and on behalf of the Board

Sd/-
Rajesh Arora
(Director)

sd/-
Vinod Bansal
(Director)

Note-2

NOTES ON ACCOUNTS ATTACHED TO AND FORMING PART OF THE BALANCE SHEET AS ON 31.03.2013

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

Particulars	Current Year	Previous Year
2. Directors Emoluments:		
Salary (Director)	Nil	Nil
Sitting Fee	6,000	6,000
3. Provision for taxation	2,70,740	1,92,612
4. Dividend	Nil	Nil
5. Foreign Exchange- Inflow	Nil	Nil
Outflow	Nil	Nil
6. Director Traveling (Local)	3,75,600/-	3,42,500/-
(Foreign)	Nil	Nil
7. Quoted Investments (Rs. In Lacs)		
-As per Balance Sheet	Nil	Nil
-Market Value as on B/S date	Nil	Nil

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

Directors:-

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

Associates Company/ Firm:-

M/s Arora & Bansal
M/s City Heights Developers & Promoters P. Ltd.

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M/s Blake Townships Pvt. Ltd.
M/s Kinsoft Solutions Pvt Ltd.
M/s ACE Innovators P. 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 A & B Corporate Consultants P. Ltd.
M/s Matrix E Services P. Ltd.

Transaction with Related Party :-

Name	Nature of Transaction	Transaction During the year	Balance as on 31.03.2013	Balance as on 31.03.2012
ACE Innovators P. Ltd. (Matrix Precessing House)	Consultancy Services	Nil	8,35,982/- Cr.	8,35,982/- Cr.
Kinsoft Solutions P. Ltd.	Consultancy Services	Nil	10,050/- Dr.	10,050/- Dr.
Arora & Bansal	Consultancy Services	36,00,000/-	Nil	6,98,071/-Cr.
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.

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.

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.

DEFERRED TAX

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

	<u>As at</u> <u>31.03.2013</u> (₹)	<u>As at</u> <u>31.03.2012</u> (₹)
(A) Deferred Tax Liability on account of		
i. Depreciation	86,005	
ii. Misc. Expenditure	Nil	85,753
Total (A)	86,005	85,753
(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)	86,005	85,753

Deferred Tax (Net) amounting to Rs. 252/- has been debited to Profit and Loss Account for the year-ended 31.03.2013

Impairment of Assets

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

Earnings Per Share

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

Particulars	2012-13	2011-12
a. Net Profit after Taxation	6,06,003/-	4,33,974/-
b. Number of Equity shares outstanding	33,60,000	33,60,000
c. Earnings per share (Face value of Rs. 10/- per share) (a) / (b) Basic and diluted)	0.1806	0.1292

Segmental Reporting

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

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, 2013 together with interest paid or payable as required under the Act, have not been given.

KINETIC TRUST LIMITED

Notes Forming Integral Part of the Balance Sheet

Note: 3 Share Capital

Amount in ₹

Sr. No	Particulars		Balance as at 31.03.2013	Balance as at 31.03.2012
1	AUTHORIZED CAPITAL Authorised Equity Share Capital (35,00,000 Equity Shares of ₹10 each) (Previous Year 35,00,000 Equity Shares of ₹10 each)	-	35,000,000	35,000,000
			35,000,000	35,000,000
2	ISSUED, SUBSCRIBED & PAID UP CAPITAL To the Subscribers of the Memorandum 33,60,000 Equity Shares of ₹10 each fully paid up (Previous year 33,60,000 Equity shares of ₹10 each)	-	33,600,000	33,600,000
	Total in ₹		33,600,000	33,600,000

Note : 4 Reserves & Surplus

Sr. No	Particulars		Balance as at 31.03.2013	Balance as at 31.03.2012
1	Revaluation Reserve (Revaluation of office premises at 1406 Vikram Tower , Rajendra Place, New Delhi)		129,200	129,200
2	Surplus of Statement of Profit & Loss:-			
	Opening Balance	1,227,075	793,101	
	Add:- Profit During the year	606,003	433,974	
	Closing Balance	1,833,078	1,227,075	1,227,075
	Total in ₹		1,962,278	1,356,275

Note : 5 Long Term Borrowing

Sr No	Particulars		Balance as at 31.03.2013		Balance as at 31.03.2012
1	Other Loans & Advances Advances ESCROW		- 350,000		- 350,000
	Total in ₹		350,000		350,000

Note 6 : Deferred Tax Liabilities (Net)

Sr No	Particulars		Balance as at 31.03.13		Balance as at 31.03.12
	Deferred tax Liabilities	85,753		84,302	
	Less- Deferred Tax Assets	(252)	86,005	(1,451)	85,753
	Total in ₹		86,005		85,753

Note : 7 Short Term Borrowings

Sr No	Particulars		Balance as at 31.03.2013		Balance as at 31.03.2012
1	Others State Bank of Indore		-	-	-
	Total in ₹				

Note : 8 Trades Payable

Sr. No	Particulars		Balance as at 31.03.2013		Balance as at 31.03.2012
	Sundry Creditors for Services:				
	Matrix Processing House		8,35,982		8,35,982
	Intime Spectrum Registrtery Ltd.		33,399		33,399
	Vikram Tower Maintenance Group		6,98,301		6,55,776
	Chartered Corporate Services		13,440		
	Link Intime India P. Ltd.		13,483		
	Total in ₹		1,594,605		1,525,157

Note : 9 Other Current Liabilities

Sr. No	Particulars	Balance as at 31.03.2013	Balance as at 31.03.2012
1	Audit fee payable	65,047	73,193
		54,000	
2	Director Sitting Fee Payable		48,000
3	Electricity Expenses Payable	-	4,030
		32,600	
4	Professional Charges Payable		32,600
		88,300	
5	Salary Payable		83,800
		88,300	
6	Bonus Payable		50,280
7	Jay Ess Worlds Travels	1,026,621	831,459
		6,845	
8	Printing and Stationery		6,845
9	Arora and Bansal (Advance against Property)	2,100,000	2,100,000
10	Arora and Bansal	-	
11	Misc Expenses Payable	11,242	-
	Total in ₹	3,472,955	3,928,778

Note : 10 Short Term Provisions

Sr. No	Particulars	Balance as at 31.03.2013	Balance as at 31.03.2012
	Others		
	Service Tax Payable		
	Provision For Taxation A.Yr.-2013-2014	270,740	-
	Provision For Taxation A.Yr.-2012-2013	192,612	192,612
	Total in ₹	463,352	192,612

KINETIC TRUST LIMITED
Notes forming part of the financial statements

Note - 3 A Reconciliation of Share Capital

Particulars	Opening Balance	Fresh issue	Bonus	ESOP	Conversion	Buy back	Other changes (give details)	Closing Balance
Equity Shares with Voting Rights:								
Year ended 31 March, 2013								
Number of Shares	3,360,000	-	-	-	-	-	-	3,360,000
Amount (₹)	33,600,000	-	-	-	-	-	-	33,600,000
Year ended 31 March, 2012								
Number of shares	3,360,000	-	-	-	-	-	-	3,360,000
Amount (₹)	33,600,000	-	-	-	-	-	-	33,600,000

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

Particulars	As at 31.03.2013				As at 31.03.2012			
	Total No. of Share	No. of Share with Voting Right.	No. of Share with Differential Voting Right.	Restrictions in respect of Distribution of Dividend	Total No. of Share	No. of Share with Voting Right.	No. of Share with Differential Voting Right.	Restrictions in respect of Distribution of Dividend
Equity Share Capital	3,360,000	3,360,000	-	-	3,360,000	3,360,000	-	-

Class of shares / Name of shareholder	As at 31 March, 2013		As at 31 March, 2012	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Equity Shares with Voting Rights :- DD Securities Ltd.	455,000	13.54	455,000	13.54
Aditya Financial Consultants Pvt. Ltd.	420,000	12.50	420,000	12.50
Master Flow Pvt. Ltd.	274,000	8.15	274,000	8.15
Striker Finvest Pvt. Ltd.	240,000	7.14	240,000	7.14

KINETIC TRUST LIMITED**Notes Forming Integral Part of the Balance Sheet As at 31st March, 2013****Note : 12 Non Current Investment**

		Amount In ₹	
		Balance as at 31.03.2013	Balance as at 31.03.2012
<u>Investment in Equity Instrument</u>			
Unquoted Investment			
Chilka Fin Trade Pvt. Ltd (1,00,000 shares of ₹ 10 each)	1,000,000		1,000,000
Vishamber Sahai Fin Pvt. Ltd. (30,000 shares of ₹ 10 each)	1,100,000	2,100,000	1,100,000
Total in ₹		2,100,000	2,100,000

Note : 13 Long Term Loans and Advances

Particulars		Balance as at 31.03.2013		Balance as at 31.03.2012
<u>Security Deposit</u>				
Unsecured, Considered Good : D.E.S.U.		3,000		3,000
<u>Other Loans & Advances</u>				
<u>Unsecured :-</u>				
Considered Good :				
Hindson Warehousing	204,603		204,603	
Kinsoft Solutions Pvt. Ltd.	33,000		33,000	
Santosh Kumar Diwedi	50,000		50,000	
Vinay Pal Jain	826,227		779,459	
Hindustan Rasayan Pvt. Ltd.	2,931,823	4,045,653	2,781,616	3,848,678
Total in ₹		4,048,653		3,851,678

Note : 14 Trade Receivables

Particulars		Balance as at 31.03.2013		Balance as at 31.03.2012
Outstanding for more than six months				
Unsecured, Considered Good :				
Exalt Fin Cap Ltd.	4,314,750		4,314,750	
Kinsoft Solutions Pvt. Ltd.	10,050		10,050	
Vishamber Sahai Fin Pvt. Ltd.	350,000	4,674,800	350,000	4,674,800
Total in ₹		4,674,800		4,674,800

Note : 15 Cash & Bank Balance

Particulars		Balance as at 31.03.2013		Balance as at 31.03.2012
Cash-in-Hand				
Cash Balance		114,273		716,173
Sub Total (A)		114,273		716,173
Bank Balance				
Bank Of India		12,058		1,123
State Bank of Indore		9,118		125,580
Sub Total (B)		21,176		126,703
Cheques on Hand				
Sub Total (C)		362,423		-
Total in ₹ [A + B + C]		497,872		842,876

Note :

16 *Short Terms Loans and Advances*

Sr. No	Particulars	Balance as at 31.03.2013	Balance as at 31.03.2012
1	Others		
	<i>Advance Recoverable in cash or in kind or for value to be considered good</i>		
	Vishamber Sahai Financiers Pvt. Ltd.	14,750,000	14,750,000
	Chilka Fin Trade Pvt. Ltd.	1,180,000	1,180,000
	Sanksons Paper Pvt. Ltd.	4,700,000	4,700,000
	Rector Finlease Pvt. Ltd.	5,800,000	5,800,000
	Imprast to Ranjan Kumar	225,500	
	Total in ₹	26,655,500	26,430,000

Note : 17 *Other Current assets*

Sr. No	Particulars	Balance as at 31.03.2013	Balance as at 31.03.12
1	TDS (2007-2008)	65,437	65,437
4	TDS(2011-2012)	329,300	329,300
5	TDS(2012-2013)	441,246	
	Total in ₹	835,983	394,737

KINETIC TRUST LIMITED

Notes Forming Part of the Profit & Loss Accounts as at 31st March, 2013

Note : 18 Revenue from Operations

Particulars	For the Year Ended 2013	For the Year Ended 2012
FEES AND SERVICE CHARGES		
Business Income	3,898,500	2,805,130
Total in ₹	3,898,500	2,805,130

Note : 19 Other Income

Particulars	For the Year Ended 2013	For the Year Ended 2012
Interest Income		
Interest Income	213,665	477,454
Interest on Income Tax Refund	-	4,787
Total in ₹	213,665	482,241

Note : 20 Employment Benefit Expenses

Particulars	For the Year Ended 2013	For the Year Ended 2012
Salary	1,165,083	842,567
Bonus to Staff	108,300	50,280
Staff Welfare Expenses	120,667	98,122
Total	1,394,050	990,969

Note : 21 Financial Cost

Particulars	For the Year Ended 2013	For the Year Ended 2012
Bank Charges	2,039	1,306
Total in ₹	2,039	1,306

Note : 22 Depreciation & Amortized Cost

Particulars	For the Year Ended 2013	For the Year Ended 2012
Depreciation	28,097	28,097
Total in ₹	28,097	29,318

Note : 23 Other Expenses

Particulars	For the Year Ended 2013	For the Year Ended 2012
Advertisement & Publicity	55,310	60,914
Newspaper, Books and Periodicals	43,771	30,856
Business Promotion	138,779	84,021
Traveling and Conveyance	461,322	399,421
Car Repair expense and Running Expense	93,208	18,364
Postage, courier and Telegram	37,126	33,905
Legal & Professional	58,494	80,411
Printing & Stationery	136,445	125,839
Telephone Expense	46,000	36,000
Repair & Maintenance	350,327	374,482

Statutory Audit Fee	16,854	16,854
Electricity Expense	121,610	89,450
Director Sitting Fee	6,000	6,000
Listing Fee	46,713	139,257
Property Tax	26,994	25,661
Filing Fees	1,500	11,500
Misc. Exp	170,581	106,027
Total in ₹	1,810,984	1,638,962

Fixed Asset at 31.03.2013 (As per Income Tax Act)

Particulars	Rate	W.D.V.	Addition		Sale/Trf.	TOTAL	Depreciation For the Year
		As On 01.04.2012	Before 01.10.2012	After 01.10.2012		As On 31.03.2013	
Office Building							
1406 Vikram Tower Rajendra Place	10%	89,929	-	-	-	89,929	8,993
Plant & Machinery	15%	19,813	-	-	-	19,813	2,972
Furniture and Fixture	10%	96,753	-	-	-	96,753	9,675
Vehicles	15%	48,470	-	-	-	48,470	7,271
		254,965	-	-	-	254,965	28,911

KINETIC TRUST LIMITED

CALCULATION OF DEFERRED TAX

As on			Timing Difference	Inc. tax Rate	Tax on Timing Diff.	Asset/ Liab.
	As per Books of Accounts	As per Income Tax Act			DT Asset/ (D.T. Liab.)	
	A	B	C=A-B	D	E=C x D	
<u>1. Accumulated Depreciation</u>						
31.03.2012	490,086	767,605	277,519	30.900%	85,753	Liability
31.03.2011	518,183	796,516	278,333	30.900%	86,005	Liability
	28,097	28,911		Diff. for yr	252	Asset
<u>2. Provisions</u>						
31.03.2012	-	-	-	30.900%	-	Assets
31.03.2013	-	-	-	30.900%	-	Asset
				Diff. for yr	-	Asset
<u>3. Accumulated Unabsorbed Depreciation</u>						
31.03.2012	-	-	-		-	
Based on prudence						
Restricted to		-	-		-	
31.03.2013	-	-	-		-	
Based on prudence						
Restricted to			-		-	Asset

KINETIC TRUST LIMITED

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				Diff. for yr	-	Liabilities
3. Total (net Entry)						
31.03.2012					85,753	Liability
31.03.2013					86,005	Liability
				Diff. for yr	252	Liability

Notes:

For Entry Purposes	31.03.2013	31.03.2012
Total Deferred Tax Asset	0	0
Total Deferred Tax Liability	86005	85753
Net Deferred Tax Assets	(86005)	(85753)

FOR NOTES TO THE ACCOUNTS

S. No.	Particulars	As at <u>31.03.2013</u> (Rs)	As at <u>31.03.2012</u> (Rs)
(A)	Deferred Tax Liability on account of Depreciation	86,005	85,753
(B)	Deferred Tax Asset on account of		
	i. Provisions		-
	ii. Brought Forward Losses		-
	iii. Unabsorbed Depreciation		-
	Total (B)		-
	Net Deferred Tax Asset	(86,005)	(85,753)

ATTENDANCE SLIP

KINETICS TRUST LIMITED

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

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

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

Please also bring your copy of the enclosed Annual Report.

I hereby record my presence at the 21st ANNUAL GENERAL MEETING of the company held at 527R, City Tower, Second Floor, Model Town, Ludhiana, on Saturday, the 21st September, 2013 AT 12:30 P.M.

REGD.FOLIO NO.....

NO.OF SHARES.....

NAME OF THE SHAREHOLDERS (IN BLOCK LETTERS)

Signature of the Shareholder/Proxy

.....TEAR HERE

PROXY FORM

KINETIC TRUST LIMITED

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

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

REGD.FOLIO NO.....

NO. OF SHARES.....

I/WE.....

of..... Being a member/members of KINETIC TRUST LIMITED.

hereby appoint..... Of Or failing him

..... Of Or failing him

..... Of

as my/our Proxy to attend and vote for me/us and my/our behalf at the 21stANNUAL GENERAL MEETING of the company held on Saturday, the 21st September,2013 at 12:30 p.m., 527-R, City Tower, Second Floor, Model Town, Ludhiana and at any adjournment thereof.

Affix Re.1/-
Revenue

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