

# **KARTIK INVESTMENTS TRUST LIMITED**

**36<sup>th</sup> ANNUAL REPORT  
2013-2014**

## **C O N T E N T S**

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**KARTIK INVESTMENTS TRUST LIMITED**  
**REGD OFFICE: 'PARRY HOUSE', II FLOOR,**  
**NO.43, MOORE STREET, CHENNAI 600 001**  
**E-MAIL ID: kartik\_investments@yahoo.com**  
**CIN: L65993TN1978PLC012913**

**NOTICE TO THE SHAREHOLDERS**

**Notice** is hereby given that the thirty sixth annual general meeting of the shareholders of Kartik Investments Trust Limited will be held at 4 p.m. on Thursday, the 28<sup>th</sup> August 2014 at the Registered Office of the Company, 'Parry House', No.43, Moore Street, Chennai 600 001 to transact the following business:

**ORDINARY BUSINESS:**

- 1) To consider and if deemed fit, to pass, with or without modification(s), the following as an ORDINARY RESOLUTION:

**RESOLVED THAT** the directors' report, the statement of profit and loss for the year ended 31 March, 2014 and the balance sheet as at that date together with the independent auditors' report thereon be and are hereby considered, approved and adopted.

- 2) To consider and if deemed fit, to pass, with or without modification(s), the following as an ORDINARY RESOLUTION:

**RESOLVED THAT** Mr. R Surendran (holding DIN 00010017), who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a director of the company liable to retire by rotation.

- 3) To consider and if deemed fit, to pass, with or without modification(s), the following as an ORDINARY RESOLUTION:

**RESOLVED THAT** pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. Shanker Giri & Prabhakar, Chartered Accountants, Chennai bearing registration no.003761S be and are hereby appointed as the auditors of the company for a period of three years commencing from the conclusion of the thirty sixth annual general meeting till the conclusion of the thirty ninth annual general meeting subject to ratification of such appointment by members at every annual general meeting at a remuneration of Rs.0.45 lakhs per annum including the actual travelling and out of pocket expenses incurred in connection with the audit in addition to service tax as applicable.

**SPECIAL BUSINESS:**

- 4) To consider and if deemed fit, to pass, with or without modification(s), the following as an ORDINARY RESOLUTION:

**RESOLVED THAT** pursuant to the provisions of sections 149, 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder

(including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. Kaushik Banerjee (holding DIN 00245377), additional director, who holds office up to the date of this annual general meeting and in respect of whom the company has received a notice in writing proposing his candidature for the office of a director under section 160 of the Companies Act, 2013, be and is hereby appointed as a Director of the company, liable to retire by rotation.

- 5) To consider and if deemed fit, to pass, with or without modification(s), the following as an ORDINARY RESOLUTION:

**RESOLVED THAT** pursuant to the provisions of sections 149, 152, 161 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) Mr. R Chandrasekar (holding DIN 02687447), additional director, who holds office up to the date of this annual general meeting and in respect of whom the company has received a notice in writing proposing his candidature for the office of a director under section 160 of the Companies Act, 2013, be and is hereby appointed as a Director of the company, liable to retire by rotation.

On behalf of the Board

Chennai  
May 23, 2014

**R SURENDRAN**  
**DIRECTOR**

#### NOTES

1. A member entitled to attend and vote at the annual general meeting (AGM) may appoint one or more proxies to attend and vote instead of him. The proxy need not be a member of the Company. Proxy to be valid shall be deposited at the registered office of the Company atleast forty eight hours before the time for holding the meeting. A person shall not act as a proxy for more than fifty members and holding in the aggregate not more than 10% (ten percent) of the total share capital of the company carrying voting rights. A person holding more than 10% (ten percent) of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. Members are requested to bring their duly filled in attendance slips enclosed herewith to attend the meeting.
3. Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the company a certified copy of the board resolution authorizing their representative to attend and vote on their behalf at the AGM.
4. Information as required under clause 49 of the listing agreement(s) in respect of appointment / re-appointment of directors are furnished and forms a part of the notice.
5. The explanatory statement pursuant to section 102 of the Companies Act, 2013 (the Act) in respect of businesses set out above in item nos. 4 to 12 is annexed.
6. The register of members and share transfer books of the company will remain closed from Thursday, the 21<sup>st</sup> August 2014 to Thursday, the 28<sup>th</sup> August 2014 (both days inclusive).

7. Members are requested to notify immediately any change in the address to the Registered Office of the Company.

On behalf of the Board

Chennai  
May 23, 2014

**R SURENDRAN**  
***DIRECTOR***

## ANNEXURE TO THE NOTICE

### A. INFORMATION AS REQUIRED UNDER CLAUSE 49 OF THE LISTING AGREEMENT(S):

#### Item No. 4:

Mr. Kaushik Banerjee was appointed as an additional director of the company on 28 March, 2014. Mr. Banerjee does not hold any shares of the company and is not related to any other director of the company. Names of other companies in which he holds directorship and committee membership as referred in clause 49 of the listing agreement(s) as per his disclosure to the board for the financial year 2014-15 are given below:

Cholamandalam Distribution Services Limited	Audit committee
Cholamandalam Securities Limited	Audit committee
Chola Business Services Limited	-
Murugappa Management Services Limited	-

#### Item No. 5:

Mr. R Chandrasekar was appointed as an additional director of the company on 28 March, 2014. Mr. Chandrasekar does not hold any shares of the company and is not related to any other director of the company. Names of other companies in which he holds directorship and committee membership as referred in clause 49 of the listing agreement(s) as per his disclosure to the board for the financial year 2014-15 are given below:

Chola Business Services Limited	-
Chola Insurance Services Private Limited	-

### B. EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 (THE ACT)

#### Item Nos. 4 & 5:

In respect of item nos.4 & 5, Mr. Kaushik Banerjee and Mr. R Chandrasekar were appointed as additional directors of the company on 28 March, 2014. Pursuant to the provisions of section 161 of the Companies Act, 2013 (the Act), Mr. Kaushik Banerjee and Mr. R Chandrasekar will hold office up to the date of this annual general meeting.

The company has received notices in writing along with a deposit of Rs 100,000/- from members for each director under the provisions of section 160 of the Companies Act, 2013 proposing the candidature of Mr. Kaushik Banerjee and Mr. R Chandrasekar as directors.

The board recommends the appointment of these directors as specified in the resolutions as set out in item nos. 4 & 5 of the notice.

In compliance with the provisions of section 149, 161 of the Act, the appointment of these directors is being placed before the members for their approval.

None of the key managerial personnel and directors of the company other than the directors who are to be appointed under the respective resolutions and their relatives are concerned or interested in the resolutions set forth in item nos. 4 & 5 of the notice.

On behalf of the Board

Chennai  
May 23, 2014

**R SURENDRAN**  
***DIRECTOR***

## DIRECTORS' REPORT

Your directors present the thirty sixth annual report together with the audited accounts for the year ended 31<sup>st</sup> March 2014.

*(Rs in lakhs.)*

FINANCIAL RESULTS	Year ended March 31, 2014	Year ended March 31, 2013
Income	4.41	14.00
Expenses	2.99	4.84
Profit /(Loss) before taxation	1.42	9.16
Profit / (Loss) after taxation	0.92	6.04

### OPERATIONS

During the year under review, the gross income of the Company was at Rs. 4.41 Lakhs (which includes the interest received on bank deposits of Rs. 3.79 lakhs) as against Rs. 2.81 lakhs during the previous year. The Company made a profit after tax of Rs.0.92 lakhs as against Rs. 6.04 lakhs during the previous year.

### DIRECTORS

Mr. R Surendran retires by rotation at the ensuing annual general meeting and being eligible, has offered himself for re-appointment.

Mr. Suresh Krishnan and Mr. V. Suryanarayanan resigned from the Board effective 31<sup>st</sup> March 2014. The board placed on record its appreciation for their support during their tenure of office.

During the year, Mr. Kaushik Banerjee and Mr. R. Chandrasekar were appointed as additional directors of the company who hold office up to the forthcoming annual general meeting of the company and being eligible for appointment is recommended for appointment as directors of the company.

### AUDITORS

M/s. Shanker Giri and Prabhakar, Chartered Accountants, the statutory auditors of the Company retire at the annual general meeting and are eligible for re-appointment. Pursuant to the provisions of Section 139 of the Companies Act, 2013 and Rules framed there under, it is proposed to appoint M/s. Shanker Giri and Prabhakar as statutory auditors of the Company for a period of 3 years commencing from the closure of the thirty sixth annual general meeting till the closure of the thirty ninth annual general meeting subject to ratification of such appointment by members at every AGM.

### AUDIT COMMITTEE

The Audit committee of the Board comprises Mr. R Surendran, Mr. Kaushik Banerjee and Mr. R. Chandrasekar. The Committee reviews the quarterly internal audit reports and financial statements of the Company before submission to the Board and recommends the appointment of statutory auditors.



## **DIRECTORS RESPONSIBILITY STATEMENT**

The Directors Responsibility Statement as required under Section 217 (2AA) of the Companies Act, 1956, reporting the compliance with accounting standards is attached and forms part of the directors' report.

## **CORPORATE GOVERNANCE REPORT**

A report on corporate governance, including the status of implementation of mandatory and non-mandatory norms as per clause 49 of the listing agreement is attached and forms part of this report.

The Ministry of Corporate Affairs has issued "Corporate Governance Voluntary Guidelines" in December 2009. Some of the provisions of these guidelines are already in place and the other provisions of these guidelines are being evaluated and your Company will strive to adopt the same in a phased manner. A report on corporate governance is attached and forms part of this report.

## **MANAGEMENT DISCUSSION & ALAYSIS**

During the year under review, the gross income of the Company was at Rs. 4.41 Lakhs, which is predominantly from the interest received on bank deposits of Rs. 3.79 lakhs. Since the surplus funds are deployed in the bank deposits to yield interest, the Company does not foresee any risk or concern. The Company is primarily an investment company and there were no material developments in human resources during the year.

## **COMPLIANCE AUDIT U/S 383A OF THE COMPANIES ACT, 1956**

The company annually conducts a compliance audit by an independent practicing company secretary. For the year ended 31 March, 2014, M/s. R. Sridharan & Associates, company secretaries has conducted the audit and the compliance certificate was placed before the board.

## **GENERAL**

During the year 31<sup>st</sup> March 2014, there was no employee covered by the provisions of Section 217(2A) of the Companies Act, 2013. There is no information to be disclosed under the Companies (Disclosure of Particulars in Report of Board of Directors) Rules, 1988 in respect of particulars relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo. The Company does not accept public deposits. There were no unclaimed/overdue deposits lying with the Company as on 31<sup>st</sup> March 2014. The shares of your company are listed in BSE Limited.

On behalf of the Board

Chennai  
May 23, 2014

**R SURENDRAN**  
**CHAIRMAN**

**DIRECTORS' RESPONSIBILITY STATEMENT**  
**(Annexure to the director's report)**

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The Directors accept the responsibility for the integrity and objectivity of the statement of profit & loss for the year ended 31<sup>st</sup> March 2014 and the balance sheet as at that date ("financial statements") and confirm that:

- in the preparation of the financial statements the generally accepted accounting principles (GAAP) of India and applicable accounting standards issued by the Institute of Chartered Accountants of India have been followed.
- appropriate accounting policies have been selected and applied consistently and judgments and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the company as at the end of the financial year and of the profit of the company for that period.
- proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities. To ensure this, the company has established internal control systems, consistent with its size and nature of operations, subject to the inherent limitations that should be recognized in weighing the assurance provided by any such system of internal controls. These systems are reviewed and updated on an ongoing basis.
- the financial statements have been prepared on a going concern basis.

On behalf of the Board

Chennai  
May 23, 2014

**R SURENDRAN**  
**CHAIRMAN**