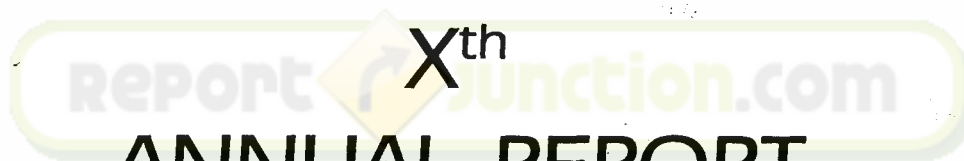


**KINETIC
T R U S T
LIMITED**



**ANNUAL REPORT
2001-2002**

KINETIC TRUST LIMITED

KINETIC TRUST LIMITED

BOARD OF DIRECTORS

Vinod Bansal
Rajesh Arora
Ashok Juneja
Vinay Aggarwal

Director
Director
Director
Director

BANKERS

State Bank of Indore
Bank of India

AUDITORS

Kathpalia & Associates
304, Chanana Building,
2214, Gurudwara Road,
Karol Bagh, New Delhi - 110005.

LEGAL ADVISORS

Pramod Verma

REGISTERED OFFICE

974/3, Link Road,
Opp. Preet Palace
Ludhiana - 141002
TEL : 0161 403865, 406293
FAX : 403865

CORPORATE OFFICE

1406, Vikram Tower,
16, Rajendra Place,
New Delhi - 110 008.
Tel. : 5765661-63
Fax : 5750460
email : kintrust@del2.vsnl.net.in

SHARE TRANSFERS AND OTHER COMMUNICATIONS

Shares Department
Kinetic Trust Limited
1406, Vikram Tower,
16, Rajendra Place,
New Delhi - 110 008.

INVESTORS GRIEVANCES

Mrs. Kiran Duggal
Compliance Officer,
Kinetic Trust Limited
1406, Vikram Tower,
16, Rajendra Place,
New Delhi - 110 008.

KINETIC TRUST LIMITED

NOTICE

Notice is hereby given that Tenth Annual General Meeting of the Members of Kinetic Trust Limited will be held as scheduled below:

Day	:	Saturday
Date	:	21st September 2002
Time	:	11.00 a.m.
Place	:	D-185, Phase VI, Focal Point, Dhandari Kalan, Ludhiana.

to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2002 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 new Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration and in this regard to consider and thought fit, to pass as an ordinary resolution:
"Resolved that M/s Rajesh B. Mangla & Associates, Chartered Accountants be and are hereby appointed Auditors of the company from the conclusion of this Annual General Meeting of the company until the conclusion of the next Annual General Meeting of the company on such remuneration as shall be fixed by the Board of Directors."

Report Junction.com

Place: New Delhi
Date : 26-8-2002

For and on behalf of the Board

Sd/-
Vinod Bansal
Director

KINETIC TRUST LIMITED

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 11.00 a.m. and 1.00 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 on 18th September, 2002 and 19th September, 2002 both days inclusive.
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.



KINETIC TRUST LIMITED

DIRECTOR'S REPORT

Dear shareholders
KINETIC TRUST LTD.
 Ludhiana.

Your directors have the pleasure in presenting their TENTH Annual Report on the business and operations of the company together with the audited annual accounts for the financial year ended 31st March, 2002.

FINANCIAL RESULTS

The financial results for the year under review are summarized for your consideration :

Particulars	Current Year (Rs. in Lacs)	Previous Year (Rs. in Lacs)
Sale	0.00	0.00
Other Income	12.99	15.55
Profit before dep./amortisation	1.96	6.89
Dep./amortisation etc	5.55	5.68
Balance of Profit & Loss A/c	(3.58)	0.85
Dividend	NIL	NIL

PERFORMANCE OF THE COMPANY & OUTLOOK FOR THE NEXT YEAR

The Company has continued to concentrate more on financial services and corporate consultancy since it is the inherent strength of our Company. The Company shall continue the current trend of capturing major share of the consultancy market on the basis of its professional strength of the company and shall enter the secondary market in more stable conditions.

AUDITORS

Your Directors report that the term of M/s Kathpalia & Associates, Chartered Accountants as Statutory Auditors of the company expires at the conclusion of this Annual General Meeting of the company. M/s Kathpalia & Associates have conveyed their unwillingness to continue as the Statutory Auditors of the company. Therefore the Board of Directors proposes to appoint M/s Rajesh B. Mangla & Associates, Chartered Accountants, New Delhi as the new Statutory Auditors of the company to hold the office till the conclusion of next Annual General Meeting. The confirmation in regard to the eligibility u/s 224(1B) of the Companies Act, 1956 has been received. Your Directors recommend their appointment.

DIRECTORS

In accordance with the provision of the Companies Act, 1956 and the Articles of Association of the Company Mr. Vinod Bansal, Director, retires at the Tenth Annual General Meeting and being eligible offers himself for reappointment.

DIRECTOR'S RESPONSIBILITY STATEMENT

As per the requirements of section 217 (2AA) of the Companies Act, 1956, your Director also confirm that:

1. In the preparation of the annual accounts, the applicable accounting standards have been followed along with the proper explanations relating to material departures
2. Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.
3. Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities
4. Directors have prepared the annual accounts 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.

KINETIC TRUST LIMITED

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 u/s 217(2A)(b)(ii) of the companies Act, 1956 read with the Companies (Particulars of Employees) Rules 1975, are not applicable as none of the employees of the company is in receipt of remuneration of Rs. 12,00,000/- if employed for the whole year or of Rs. 1,00,000/- per month if employed for any part of the year and therefore no information in this regard is required.

AUDITORS REPORT

The notes referred to by the auditors in their report are self explanatory and therefore these do not call for any further comments on the Auditors Report under section 217(3) of the Companies Act, 1956.

CORPORATE GOVERNANCE

The compliance with requirements of clause 49 of the Listing Agreement with regard to Corporate Governance as per schedule prescribed by the Stock Exchange is being taken care of.

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

The company is a finance company, therefore the information with regard to conservation of energy, technology absorption as required by the Companies (Disclosure of Particulars in the Report of 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 Rs.	Previous Year Rs.
(a) Foreign Exchange Inflow	Nil	Nil
(b) Foreign Exchange Outflow	26,999.70	2,08,216.25

OTHER INFORMATION

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

ACKNOWLEDGEMENTS

The Directors wish to place on record their sincere appreciation of the sustained and dedicated efforts put in by the employees at all levels. The Company is also grateful to the bankers for their continuing assistance and co-operation.

Your Directors sincerely thank the shareholders of the Company for the confidence reposed by them in the Company and for the continued support extended by them to the Company.

For and on behalf of the Board

Place: New Delhi
Date : 26-8-2002

Sd/-
Vinod Bansal
Director