



**KINETIC  
TRUST  
LIMITED**

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**XIXth  
Annual Report  
2010-2011**

## **BOARD OF DIRECTORS**

Vinod Bansal  
Rajesh Arora  
Ashok Juneja  
Vinay Aggarwal

Director  
Director  
Director  
Director

## **BANKERS**

State Bank of Indore

Bank of India

## **LEGAL ADVISORS**

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

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 – 110 008.  
Tel.: 011 66402000-4  
Fax : 25860460  
Email: kintrust@gmail.com

## **SHARE TRANSFERS AND OTHER COMMUNICATIONS**

Shares Department  
M/s Link Intime Spectrum Registry Limited  
A-40, IInd Floor,  
Naraina Industrial Area, Phase-II,  
New Delhi –110 028  
Tel.: +91 9818022307  
Email: bharatb@linkintime.co.in  
Compliance Officer,  
Kinetic Trust Limited  
1406, Vikram Tower,  
16, Rajendra Place,  
New Delhi – 110 008.

## **INVESTOR'S GRIEVANCES**

Mr. Ranjan Kumar

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## **FORWARD-LOOKING STATEMENT**

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. 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. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realised, 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 materialise, 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 Nineteenth Annual General Meeting of the Members of M/s Kinetic Trust Limited will be held as scheduled below:

**Day** : **Monday**  
**Date** : **26.09.2011**  
**Time** : **12:30 p.m.**  
**Place** : **527R, City Tower, 2nd Floor, Model Town, Ludhiana**

To transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2011 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**

**Date:** 19.08.2011  
**Place:** New Delhi

**Sd/-**  
**Vinod Bansal**  
**Director**

**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 21st September 2011 to 24th September 2011.
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 Nineteenth Annual Report on the business and operations of the company for the Financial Year 2010-11.

**FINANCIAL RESULTS**

The financial highlights of the company in the financial year 2010-11 as compared to the previous year are tabled below for your consideration:

Amount in ` Lacs

<b>PARTICULARS</b>	<b>CURRENT YEAR</b>	<b>PREVIOUS YEAR</b>
Sales	0.00	0.00
Other Income	30.03	24.05
Profit (Loss)/before Depreciation / Amortization	8.11	6.53
Dep. / amortization etc.	0.29	0.74
Profit/(loss) before tax	7.82	5.79
Dividend	Nil	Nil

**PERFORMANCE OF THE COMPANY**

The company's main business activity is of corporate consultancy and financial services and the income from consultancy has shown a slight improvement as compared to previous 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 & Company, 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 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. Vinay Aggarwal retires at the Nineteenth Annual General Meeting and being eligible offers himself for reappointment.

**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, is attached and forms a part of the directors' report.

**REGISTRATION WITH RESERVE BANK OF INDIA AS NBFC**

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

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

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

**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**

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. Towards this end the company has been fair, transparent, accountable and efficient at all levels.

**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 finance company, 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 (2010-2011)	Previous Year (2009-2010)
(a) Foreign Exchange Inflow	Nil	Nil
(b) Foreign Exchange Outflow	Nil	Nil

**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**

We are thankful to all the 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 our bankers.

For and on behalf of the Board of Directors

Sd/-

**Vinod Bansal**

**Director**

Date: 19.08.2011

Place: New Delhi



**DIRECTOR'S RESPONSIBILITY STATEMENT**

The directors accept the responsibility for the integrity and objectivity of the Profit & Loss Account for the year ended 31st March, 2011 and the Balance Sheet as at that date ("Financial Statements") and 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. We 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. We 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 maintaining and detecting fraud and other irregularities;
4. We have prepared the annual accounts on a going concern basis.

For and on behalf of the Board of Directors

Date: 19.08.2011

Place: New Delhi

**Sd/-**  
**Vinod Bansal**  
**Director**

**MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

2010-2011 was a year of recovery for the global economy after 2 years of financial crisis and economic downturn. The global economic outlook improved significantly and recovery progress was faster. Global economy is currently following a dual growth process. While the advanced economies are still recovering slowly, the emerging economies including India, in particular, are continuing to grow at much faster rates. According to international monetary fund report world economy is expected to grow by 4.4% for 2011 and 4.5% for 2012.

**OVERVIEW**

Uncertainty continues to cloud the shape and pace of global economic recovery. Just as the US seemed to be emerging from its worst recession since the Great Depression, Europe finds itself in the midst of a major crisis. Private spending in advanced economies continues to be constrained and inflation remains generally subdued, making it likely, that fiscal and monetary stimuli in these economies will continue for an extended period. Emerging market economies, just like India, on the other hand, seem to be significantly ahead on the recovery path, but some of the sectors of the Indian Economy are also facing inflationary pressures.

**INDIAN ECONOMY**

Indian economy, primarily driven by the strong domestic demand and healthy financial sector, has been continuing to ride on high growth path. Major macro-economic parameters, such as, industrial growth and manufacturing have remained steady. Agriculture and exports have shown good growth compared to the previous year. As per the revised estimates released by the central spastically organization, the Indian economy grew by 8.5% for financial year 2010-11 vis-à-vis 8% growth in previous year. India's economic growth projected at 8% for financial year 2012 by the RBI in its Annual statement would make India the second highest growing economy after china.

**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.