

**KARTIK  
INVESTMENTS  
TRUST LIMITED**

**40<sup>th</sup> ANNUAL REPORT  
2017-18**

## **Corporate Information**

### **Board of Directors**

R Surendran (DIN 00010017)  
P Nagarajan (DIN 00110344)  
R Chandrasekar (DIN 02687447)  
A Kavitha (DIN 07379851)

### **Secretary**

S Sangeetha

### **Auditors**

V K A N & Associates  
Chartered Accountants  
#6/23, APN Building, 2<sup>nd</sup> Floor, TTK Road, 1<sup>st</sup> Cross Street,  
Alwarpet, Chennai 600 018

### **Registered Office**

“Parry House”, 2<sup>nd</sup> Floor, No.43,  
Moore Street, Parrys, Chennai 600 001

### **Corporate Identity Number**

L65993TN1978PLC012913

### **Registrar and Share Transfer Agent**

Karvy Computershare Private Limited, Karvy Selenium Tower B,  
Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad,  
Telangana – 500032

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**KARTIK INVESTMENTS TRUST LIMITED**

Registered Office: 'Parry House', II Floor, No.43, Moore Street, Parrys, Chennai 600 001

Phone: 044 2530 7123; Fax : 044 2534 6466

CIN: L65993TN1978PLC012913

E-mail ID: [kartikinvestmentstrust@gmail.com](mailto:kartikinvestmentstrust@gmail.com); Website: [www.kartikinvestments.com](http://www.kartikinvestments.com)

**NOTICE TO MEMBERS**

**Notice** is hereby given that the Fortieth annual general meeting of the members of Kartik Investments Trust Limited will be held at 4.00 p.m. on Thursday, 27 September, 2018 at the 'Dare House', No.2, N.S.C. Bose Road, Parrys, Chennai 600 001 to transact the following business:

**ORDINARY BUSINESS:**

1) To consider and if deemed fit, to pass, the following as an **ORDINARY RESOLUTION:**

**RESOLVED THAT** the board's report, the statement of profit and loss and the cash flow statement for the year ended 31 March, 2018 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, the following as an **ORDINARY RESOLUTION:**

**RESOLVED THAT** Mr. R. Chandrasekar (holding DIN 02687447), who retires by rotation and being eligible has offered himself 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, 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 ("the Act") and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), M/s. VKAN & Associates, Chartered Accountant, Chennai bearing registration no. 014226S be and is hereby appointed as the statutory auditor of the company for a period of five years from the conclusion of the fortieth annual general meeting till conclusion of the forty fifth annual general meeting at a remuneration of Rs.68,000/- for FY 2018-19 including the actual out of pocket expenses incurred in connection with the audit, in addition to taxes as applicable.

**RESOLVED FURTHER THAT** the board of directors of the company (including any committee thereof) be and is hereby authorised to fix the remuneration payable to the statutory auditors of the company, from time to time including the actual out of pocket expenses incurred in connection with the audit, in addition to taxes as applicable, during the appointed period till the conclusion of forty fifth annual general meeting.

**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, 150, 152, schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules made there under and SEBI (Listing

Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. P. Nagarajan (holding DIN 00110344), an additional director, holding office up to the date of this annual general meeting be and is hereby appointed as an independent director of the company for a term of 5 years from 7 August, 2018 up to 6 August, 2023.

By Order of the Board

Place : Chennai  
Date : August 29, 2018

**S Sangeetha**  
*Company Secretary*

## 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 at least 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 member. Proxy form for the AGM is enclosed.**
2. **The business set out in the notice will be transacted through electronic voting system and the company is providing facility for voting by electronic means.** Instructions and other information relating to e-voting are given in this notice at the end.
3. Members / proxies are requested to bring their duly filled in attendance slips enclosed herewith to attend the meeting mentioning therein details of their DP and Client ID / Folio No.
4. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the company a certified copy of the board resolution authorising their representative to attend and vote on their behalf at the AGM.
5. Information as required under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) in respect of appointment / re-appointment of directors is furnished and forms a part of the notice.
6. The explanatory statement pursuant to section 102 of the Companies Act, 2013 ("the Act") in respect of business set out above in resolution nos. 3 & 4 is annexed.
7. Pursuant to the provisions of section 91 of the Act and the listing regulations, the register of members and share transfer books will remain closed from Friday, the 21 September 2018 to Thursday, the 27 September, 2018 (both days inclusive).
8. All correspondence relating to change of address, change in the e-mail ID already registered with the company, transfer / transmission of shares, issue of duplicate share certificates, bank mandates and all other matters relating to the shareholding in the company may be made to Karvy Computershare Private Ltd., the registrar and share transfer agent (RTA). The members holding shares in dematerialised form may send such communication to their respective depository participant/s (DPs).
9. Members can avail the facility of nomination in respect of shares held by them in physical form pursuant to the provisions of section 72 of the Act. Members desiring to avail this facility may send their nomination in the prescribed form no. SH 13, duly filled in to the RTA. The prescribed form can be obtained from the RTA / DPs.
10. As an eco-friendly measure intending to benefit the society at large, we request you to be part of the e-initiative and register your e-mail address to receive all communication and documents including annual reports from time to time in electronic form to the e-mail address provided by you. Members holding shares in dematerialised form, may send such communication to their respective DPs and those holding shares in physical form, may send such communication to RTA.

11. Members may also note that the notice of the 40<sup>th</sup> AGM and the annual report for 2018 will also be available on the company's website, [www.kartikinvestments.com](http://www.kartikinvestments.com) for their download. The physical copies of the aforesaid documents including the relevant documents referred to in the notice and the explanatory statement will also be available for inspection at the company's registered office during normal business hours on working days up to the date of the meeting. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the members may also send requests to the company's e-mail id: [kartikinvestmentstrust@gmail.com](mailto:kartikinvestmentstrust@gmail.com).
12. SEBI has mandated the submission of the permanent account number (PAN) /Bank Account details by every participant in the securities market. Members holding shares in electronic form, are therefore, requested to submit their PAN /Bank Account details to their respective DPs. Members holding shares in physical form shall submit their details to RTA.
13. The ISIN for equity shares of the company has been activated in NSDL and CDSL for admission of securities in dematerialised mode. Accordingly, members holding shares in physical mode are advised to get their shares dematerialised.
14. Members desirous of obtaining any information / clarification relating to the accounts are requested to submit their query in writing to the company well in advance so as to enable the management to keep the information ready.
15. Members may please be informed that, pursuant to SEBI LODR Amendment Regulations, effective December 5, 2018, requests for effecting transfer of securities in physical form shall not be processed unless the securities are held in the dematerialized form with a depository. Hence Members are encouraged to demat their physical holding for any further transfer of shares.

By Order of the Board

Place : Chennai  
Date : August 29, 2018

**S Sangeetha**  
Company Secretary

## ANNEXURE TO THE NOTICE

### **A. EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:**

#### **Item No. 3 - Appointment of statutory auditor and fixing their remuneration:**

The Company had received a letter of resignation dated 29<sup>th</sup> August 2018 from Mr. Senthamarai Kannan, Chartered Accountant, Statutory Auditor of the Company.

Pursuant to the provisions of section 139, 140, 141,142 of the Companies Act,2013 ("the Act") read with Companies (Audit and Auditors) Rules, 2014, the board of directors had recommended the appointment of M/s. VKAN & Associates, Chartered Accountants as Statutory Auditors of the Company for a period of five years subject to the approval of members.

M/s. VKAN & Associates, Chartered Accountants have confirmed that their appointment, if made, would be within the limits prescribed under section 141(3)(g) of the Act and is in accordance with the requirements of section 139(1) of the Act read with rule 4 of the Companies (Audit and Auditors) Rules, 2014. The auditors have further confirmed that they are not disqualified from being appointed as auditors under the Act or the Chartered Accountants Act, 1949. Further, section 142 of the Act requires the remuneration of the auditors to be fixed in the general meeting and the same shall include the expenses, if any, incurred by the auditor in connection with the audit of the company and any facility extended to them.

Accordingly, the approval of the members is being sought by means of an ordinary resolution for appointment of M/s. VKAN & Associates, Chartered Accountants as the statutory auditor to audit the financial statements of the company for the period from the conclusion of the 40<sup>th</sup> AGM till the conclusion of the 45<sup>th</sup> AGM at a remuneration as specified in resolution no. 3 of the notice. The board recommends the appointment of the statutory auditors of the company for approval of the members.

#### **Item No. 4 – Appointment of Mr. P. Nagarajan as an independent director:**

Pursuant to the provisions of section 161 of the Act and based on the recommendation of the nomination and remuneration committee, Mr. P Nagarajan was appointed as an additional director of the company at the Board Meeting held on 7 August, 2018 and holds office up to the date of this AGM. Details of his qualification, experience, expertise and the information pursuant to regulation 36(3) of Listing Regulations and Secretarial Standards on General Meetings are disclosed below. The company has received a notice in writing from a member under the provisions of section 160 of the Act proposing the candidature of Mr. Nagarajan as a director. Mr. Nagarajan has given a declaration to the board that he meets the criteria of independence as provided under section 149 of the Act as well as under applicable provisions of the Listing Regulations. The board recommends the resolution appointing him as an independent director of the company for a period of 5 years and shall not be liable to retire by rotation. In compliance with the provisions of section 149 read with schedule IV of the Act and the listing regulations, the appointment of Mr. P. Nagarajan is being placed before the members for their approval.

None of the directors, key managerial personnel of the company and their relatives are concerned or interested in the resolution except Mr. Nagarajan.



**DISCLOSURE UNDER REGULATION 36 OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND SECRETARIAL STANDARDS ON GENERAL MEETINGS**

<b>Name of Director</b>	<b>Mr. R. Chandrasekar</b>	<b>Mr. P. Nagarajan</b>
<b>DIN</b>	02687447	00110344
<b>Date of Birth</b>	22 May, 1964	12 June, 1951
<b>Date of Appointment (Initial appointment)</b>	Appointed as an additional director of the company at the meeting of Board of Directors held on 28 March, 2014. Appointed as a Non-Executive Director at the General Meeting held on 23 May, 2014.	Appointed as an additional director of the company at the meeting of Board of Directors held on 7 August, 2018.
<b>Qualification</b>	Masters in Business Administration and a Post Graduate Diploma in Human Resource Management.	Member of Institute of Chartered Accountants of India, holds a Bachelors degree in Commerce and also holds a Degree in Law.
<b>Expertise in specific functional areas</b>	Has 32 years of professional experience	Has over 40 years of professional experience in the areas of Finance & Accounts having specialized in areas like Treasury, Forex, Working Capital Management, Corporate Taxation, Corporate restructuring
<b>Number of meetings of the board attended during the year</b>	Attended all 4 meetings of the board held during the year.	Not Applicable
<b>Directorships in other companies (including foreign companies)</b>	<ol style="list-style-type: none"> <li>1. Kartik Investments Trust Limited</li> <li>2. Cholamandalam Securities Limited</li> <li>3. Chola Business Services Limited</li> </ol>	<ol style="list-style-type: none"> <li>1. Coromandel Engineering Company Ltd (CECL)</li> <li>2. Ambadi Investments Limited (AIL)</li> <li>3. Murugappa Management Services Limited (MMSL)</li> <li>4. Jasper Industries Pvt. Ltd (JIPL)</li> <li>5. Jasper Automobiles Telangana Pvt. Ltd</li> <li>6. Parry Sugars Refinery India Pvt. Ltd. (PSRIL)</li> <li>7. Jasper Automobiles Pvt. Ltd</li> </ol>

<b>Memberships in board committees of other companies (includes membership details of all committees)</b>	<b><u>Chola Business Services Limited</u></b> 1. Nomination and Remuneration Committee 2. Audit Committee	Chairman: 1. Audit Committee – CECL & PSRIL Member: 1. Nomination & Remuneration Committee – MMSL, CECL, AIL 2. Risk Management Committee - CECL 3. Management Committee (JIPL)
<b>No. of shares held in the company</b>	Nil	Nil
<b><i>Inter-se</i> relationship with any other directors or KMP of the company</b>	Nil	Nil
<b>Details of remuneration sought to be paid</b>	Nil	Nil ( only eligible for sitting fee)
<b>Details of remuneration last drawn</b>	Nil	Not applicable

## VOTING THROUGH ELECTRONIC MEANS - INSTRUCTIONS

Pursuant to the provisions of section 108 of the Companies Act, 2013 (the Act) read with rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and the Listing Regulations as amended from time to time, the company is pleased to offer e-voting facility to members to exercise their votes electronically on all resolutions set forth in the notice convening the 40<sup>th</sup> annual general meeting (AGM) scheduled to be held on Thursday, the 27 September, 2018 at 4.00 p.m.

The company has engaged the services of Karvy Computershare Private Limited (Karvy) to provide remote e-voting facility to enable members to provide their votes in a secure manner.

The board of directors of the company has appointed Mr. R. Sridharan of M/s. R. Sridharan & Associates, practicing company secretary, Chennai as the scrutiniser for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner. In terms of the requirements of the Companies Act, 2013 and the rules made there under, the company has fixed 20 September, 2018 as the cut-off date. The remote e-voting / voting rights of the members / beneficial owners shall be reckoned on the equity shares held by them as on cut-off date, i.e., 20 September, 2018.

The remote e-voting facility begins on Monday, the 24 September, 2018 (9:00 a.m. Indian Standard Time) and ends on Wednesday, the 26 September, 2018 (5:00 p.m. Indian Standard Time). During this period, the members of the company, holding shares either in physical form or in dematerialised form, as on the cut-off date of 20 September, 2018, are entitled to avail the facility to cast their vote electronically / voting in the general meeting as the case may be.

The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by Karvy Computershare Private Limited upon expiry of the aforesaid period. Once the vote on a resolution is cast by the member, he shall not be allowed to change it subsequently or cast the vote again.

The instructions for members voting electronically are as under:

### **A. Members holding shares in physical form whose e-mail IDs are not registered with the company:**

- i. E-Voting Event Number – (4080), User ID and Password is provided in the Attendance Slip.
- ii. Please follow all steps from sl. no. (i) to sl. no. (ix) in the instructions given below to cast vote.

### **B. Voting at AGM:**

The members who have not cast their vote electronically, can exercise their voting rights at the AGM. The company will make necessary arrangements in this regard at the AGM Venue.

#### Other instructions:

- i. In case of any queries, you may refer Help & FAQ section of <https://evoting.karvy.com> or call on Toll-free No.1800 3454 001.
- ii. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- iii. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the company as on the cut-off date of 20 September, 2018. The remote e-voting will not be allowed beyond the aforesaid date and time and the e-voting module shall be disabled by Karvy upon expiry of the aforesaid period. Once the vote on a resolution is cast by the member, he shall not be allowed to change it subsequently or cast the vote again.
- iv. Any person who acquires shares of the company and becomes a member of the company after dispatch of the notice to the members and holding shares as on the cut-off date of 20 September, 2018 may obtain the login ID and password by sending a request at [evoting@karvy.com](mailto:evoting@karvy.com). If you forget your password, you can reset your password by using "Forgot user details / Password" option available on <https://evoting.karvy.com>
- v. Since the company is required to provide members the facility to cast their vote by electronic means, members of the company, holding shares, as on the cut-off date and not casting their vote electronically, may cast their vote at the AGM venue. Facility will be available at the venue.
- vi. Members who have cast their votes through remote e-voting may also attend the AGM. However, those members are not entitled to cast their vote again in the AGM.
- vii. Voting facility will be provided to the members through electronic voting system or through ballot / polling paper at the AGM venue. A member can opt for only one mode of voting i.e. either through remote e-voting or voting at the AGM. Thus, voting facility at the AGM shall be used only by those who have not exercised their right to vote through remote e-voting.
- viii. The scrutiniser shall immediately after the conclusion of the voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes in the presence of at least two witnesses not in the employment of the company and make a consolidated scrutiniser's report on or before 28 September, 2018 of the total votes cast in favour or against, if any, to the chairman of the company or person authorised by him in writing who shall countersign the same.
- ix. The results shall be declared after the AGM of the company. The results declared along with the scrutiniser's report shall be placed on the company's website [www.kartikinvestments.com](http://www.kartikinvestments.com) and on the website of Karvy after the result is declared by the Chairman / authorised person and simultaneously communicated to BSE Limited.

## Route Map to the venue of the AGM

**Dare House, No.2, N.S.C. Bose Road, Parrys, Chennai 600 001**



## BOARD'S REPORT

Your directors present the fortieth annual report together with the audited accounts for the year ended 31 March, 2018.

*(Rs. in lakhs)*

<b>FINANCIAL RESULTS</b>	<b>2017-18</b>	<b>2016-17</b>
Income	7.54	9.08
Expenses	7.61	5.70
Profit / (Loss) before taxation	-0.07	3.37
Profit / (Loss) after taxation	-0.07	3.37
Other Comprehensive Income/ ( Loss) for the year, net of tax	-10.82	27.90
Total Comprehensive Income for the year, net of tax	-10.89	31.27

### DIVIDEND

Your directors do not recommend any dividend for the year.

### OPERATIONS

During the year under review, the gross income of the Company was at Rs.7.54 lakhs as against Rs.9.08 lakhs during the previous year. The Company made a loss of Rs.0.07 lakhs as against a profit of Rs.3.37 lakhs during the previous year.

### DIRECTORS

Mr. R Chandrasekar (DIN 02687447), director retires by rotation at the ensuing annual general meeting (AGM) and being eligible, has offered himself for re-appointment.

### DECLARATION FROM INDEPENDENT DIRECTORS

The independent directors, Mr. R Surendran and Ms. A Kavitha have submitted a declaration of independence, as required pursuant to Section 149(7) of the Act, stating that they meet the criteria of independence as provided in Section 149(6) of the Act. In the opinion of the Board, the independent directors fulfill the conditions specified in the Act and the Rules made there under for appointment as IDs and confirm that they are independent of the management.

### KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Section 203 of the Act read with the rules made there under, the following employees are the whole-time key managerial personnel of the company:

1. Mr. R Chandrasekar, Manager
2. Ms. Bala Ravi, Chief Financial Officer (Appointed effective 1 June,2017)
3. Ms. S Sangeetha, Company Secretary

## **DIRECTOR'S RESPONSIBILITY STATEMENT**

The director's responsibility statement as required under Sections 134(5) of the Act, reporting the compliance with accounting standards, is attached and forms part of board's report.

## **AUDITORS**

Mr. P Senthamarai Kannan, chartered accountant was appointed as statutory auditor of the company in the thirty ninth annual general meeting (AGM) held on 28 September, 2017 for a period of five years commencing from the conclusion of thirty ninth AGM till the forty fourth AGM subject to ratification by members at every AGM.

## **SECRETARIAL AUDIT**

The secretarial audit report is attached and forms part of this report and does not contain any qualification. Pursuant to the provisions of the Act and the rules framed there under, the company appointed Ms. Srinidhi Sridharan of M/s. Srinidhi Sridharan & Associates, Practicing Company Secretary to undertake the secretarial audit of the company for FY 18.

## **INFORMATION AS PER SECTION 134(3)(m) OF THE ACT**

The company has no activity relating to the consumption of energy or technology absorption. No foreign currency expenditure was incurred during the year. There were no foreign currency earnings during the year.

## **BOARD MEETINGS**

During the year ended 31 March, 2018, four meetings of the Board were held i.e., 23 May, 2017, 1 September, 2017, 8 December, 2017, and 9 February, 2018.

## **AUDIT COMMITTEE**

The Audit Committee comprises Mr. R. Surendran, Mr. R. Chandrasekar, Ms. A. Kavitha as its members. During the year ended 31 March, 2018, four meetings were held i.e., 23 May, 2017, 1 September, 2017, 8 December, 2017 and 9 February, 2018.

## **NOMINATION AND REMUNERATION COMMITTEE**

The Nomination and Remuneration Committee comprises Mr. R Surendran, Mr. R Chandrasekar and Ms. A Kavitha as its members. During the year ended 31 March 2018, two meetings were held i.e., 23 May, 2017 and 1 September, 2017.

## **STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Stakeholders Relationship Committee comprises Mr. R Surendran, Mr. R Chandrasekar and Ms. A Kavitha as its members. During the year ended 31 March 2018, two meetings were held i.e., 1 September, 2017 and 8 December, 2017.

## **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

The company has established a whistle blower mechanism which inter-alia covers an avenue to raise concerns. The mechanism provides for adequate safeguards against victimisation of directors / employees / customers who avail of the mechanism and also for appointment of an ombudsperson who will deal with the complaints received.

## **SEXUAL HARASSMENT POLICY**

The company has in place a prevention of sexual harassment policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. There were no referrals received during the calendar year ended 31<sup>st</sup> December 2017.

## **PARTICULARS OF EMPLOYEES**

During the year, there were no employees covered by the provisions of Section 197 (12) of the Act, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

## **EXTRACT OF ANNUAL RETURN**

In accordance with sections 134(3)(a) of the Act, extract of the annual return in Form MGT-9 is attached and forms part of this report.

## **SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS**

There are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

## **INDIAN ACCOUNTING STANDARDS (IND AS)**

The Company have adopted Ind AS with effect from 1<sup>st</sup> April 2017 pursuant to the Companies (Indian Accounting Standard) Rules, 2015 notified by Ministry of Corporate Affairs on 16<sup>th</sup> February 2015. The Company has completed the modification of accounting and reporting systems to facilitate the adoption of Ind AS. The implementation of Ind AS is a major change process effected since Q1 of the FY 2017-18 and the Company has presented the Ind AS transition impact on the financial results.

## **INTERNAL FINANCIAL CONTROLS**

Proper internal financial controls have been laid down to be followed by the Company with reference to the financial statements and such internal financial controls are adequate and operating effectively.

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

No loans, guarantees or investments have been made under section 134(3)(g) of the Act.



## **RELATED PARTY TRANSACTIONS**

The company has in place a policy on related party transactions as approved by the board and the same is available on the website of the company.

There were no related party transactions entered into by the Company during the FY 18.

None of the Directors has any pecuniary relationship or transaction vis-à-vis the Company

## **FORMAL ANNUAL EVALUATION**

In compliance with the Section 134(3)(p) of the Companies Act, 2013 and the Rules made there under, the annual performance evaluation of the Board was carried out during the year under review.

## **REMUNERATION POLICY, CRITERIA FOR BOARD NOMINATION & SENIOR MANAGEMENT APPOINTMENT**

Pursuant to the provisions of Section 178 of the Act, on recommendation by the Nomination and Remuneration Committee, the Board of directors has framed a remuneration policy relating to the remuneration of the directors, key managerial personnel and other employees. The nomination and remuneration committee has further formulated the criteria for board nomination and senior management appointment including determining qualifications, positive attributes and independence of a director.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **Overview**

The company is a public limited company and has its registered office at Chennai. The shares of the company are listed on BSE Limited. The company has only one class of shares – equity shares of par value Rs.10/- each. The authorised share capital of the company is Rs.1 crore and the subscribed and paid up share capital of the company is Rs.24.40 lakhs divided into 2,44,000 shares of Rs.10/- each.

### **Investments**

The company's investments include Rs.2.27 crores in equity shares and Rs.46 lakhs in bank fixed deposits.

### **Financial Review**

During the year under review, the gross income of the company was at Rs.7.54 lakhs as against Rs.9.08 lakhs during the previous year. The company made a loss of Rs.0.07 lakhs as against a profit of Rs.3.37 lakhs during the previous year.

During the year under review, Other Equity was at Rs.229 lakhs as against Rs.240 lakhs during the previous year.

## Internal Control Systems

The company has a proper and adequate internal control over financial reporting and the statutory auditor of the company have also certified on the existence and operating effectiveness of the internal financial controls as of 31 March, 2018.

## RESULT OF OPERATIONS

### Balance sheet

A summarised version of the company's balance sheet size is given below:

*Rs. in lakhs*

Particulars	March 2018	March 2017
<b>Assets</b>		
Non-Current investments	234.04	248.34
Other Assets	53.76	53.67
<b>TOTAL</b>	<b>287.80</b>	<b>302.01</b>
<b>Liabilities</b>		
Networth	253.09	263.99
Other Liabilities	34.71	38.02
<b>TOTAL</b>	<b>287.80</b>	<b>302.01</b>

### Statement of Profit & Loss

A summarised version of the company's statement of Profit & loss is given below:

*Rs. in lakhs*

Particulars	March 2018	March 2017
Income	7.54	9.08
Expenses	7.61	5.70
<b>Profit Before Tax (PBT)</b>	<b>-0.07</b>	<b>3.37</b>
Current and Deferred Tax		
<b>Profit After Tax (PAT)</b>	<b>-0.07</b>	<b>3.37</b>
<b>Other Comprehensive Income / (Loss) for the year, net of tax</b>	<b>-10.82</b>	<b>27.90</b>
<b>Total Comprehensive Income for the year net of tax</b>	<b>-10.89</b>	<b>31.27</b>

## CORPORATE GOVERNANCE

As per regulation 15(2) of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015, the compliance with the corporate governance provisions as specified in regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V shall not apply to the listed entity having a paid up equity share capital not exceeding rupees ten crores and net worth not exceeding rupees twenty five crores as on the last day of the previous financial year. Accordingly, the corporate governance report is not applicable to the Company as the paid-up equity share capital of the Company was Rs.24.40 lakhs and net worth of the Company was Rs.2.53 Crores as on 31 March, 2018

## **ACKNOWLEDGEMENT**

Your directors wish to thank the customers, bankers and other business partners. The directors also thank the staff for their contribution to the company's operations during the year under review.

On behalf of the Board

Place: Chennai  
Date: May 14, 2018

**R SURENDRAN**  
*Chairman*

## DIRECTORS' RESPONSIBILITY STATEMENT

### (Annexure to the Board's Report)

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The board of director have instituted / put in place a framework of internal financial controls and compliance reports, which is reviewed by the management and the relevant board committees, including the audit committee and independently reviewed by the internal, statutory and secretarial auditor.

Pursuant to Section 134(5) of the Companies Act, 2013, the board of directors, confirm that:

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed and that there were no material departures there from;
- (ii) they have, in the selection of the accounting policies, consulted the statutory auditors and have applied their recommendations consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31 March, 2018 and of the loss of the Company for the year ended on that date;
- (iii) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) they have prepared the annual accounts on a going concern basis;
- (v) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively during the year ended 31 March, 2018 and
- (vi) proper system has been devised to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively during the year ended 31 March, 2018.

On behalf of the Board

Place: Chennai  
Date: May 14, 2018

**R SURENDRAN**  
*Chairman*



CIN: L65993TN1978PLC012913

**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2018**  
**[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No.9 of the**  
**Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To  
The Members,  
**KARTIK INVESTMENTS TRUST LIMITED**  
CIN: L65993TN1978PLC012913  
Parry House, 2<sup>nd</sup> Floor  
43, Moore Street, Parrys  
Chennai – 600001

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by KARTIK INVESTMENTS TRUST LIMITED (Corporate Identification Number: L65993TN1978PLC012913) (hereinafter called "the Company") having its Registered Office at Parry House, 2<sup>nd</sup> Floor, 43, Moore Street, Parrys, Chennai – 600 001. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

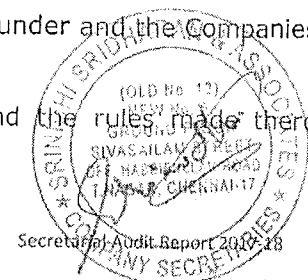
Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under and the Companies Act, 1956 (to the extent applicable);
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;

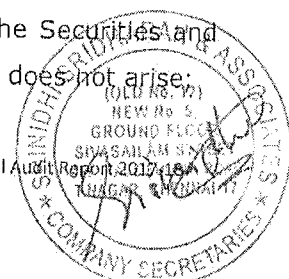
Kartik Investments Trust Limited

**18**



CIN: L65993TN1978PLC012913

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) The Company has not dealt with the matters relating to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings under Foreign Exchange Management Act, 1999 (FEMA) and hence the requirement of complying with the provisions of FEMA and the rules and regulations made there under does not arise.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation, 2015;
  - The Company has not issued any securities during the year under review and hence the question of complying with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 does not arise;
  - The Company has not formulated any scheme of ESOS/ESPS and hence the requirement of complying with the provisions of the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2013 does not arise;
  - The Company has not issued any debentures during the period under review, and hence the requirement of compliance of the provisions of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 and Securities does not arise;
  - The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - The Company has not delisted its Securities from the Stock Exchange in which it is listed during the period under review, hence the requirement of complying with the provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 does not arise; (The company rescinded from the process of delisting of its securities from Stock exchange i.e. BSE Ltd)
  - The Company has not bought back any Securities during the period under review and hence the requirement of complying with the provisions of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 does not arise;



CIN: L65999TN1978PLC012913

With respect to Fiscal laws, based on the information & explanations provided by the management and officers of the Company, we report that adequate systems are in place to monitor and ensure compliance.

We have also examined compliance with the applicable clauses / regulations of the following:

- (i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.
- (ii) The Uniform Listing Agreement entered with BSE Limited pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

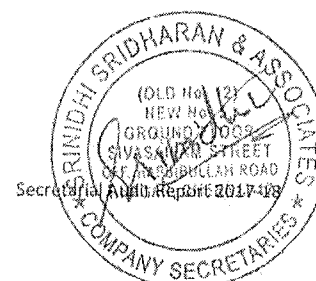
**We further report that**

The Board of Directors of the Company is constituted with proper balance of Non-Executive Directors and Independent Directors. There is no change in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Agenda / notes on agenda which are circulated less than the specified period, the necessary compliances under the Companies Act, 2013 and Secretarial Standards on Board Meetings are complied with.

Based on the verification of the records and minutes, the decisions were carried out with the consent of majority of the Directors / Committee Members and there were no dissenting members views recorded in the minutes.

**We further report that** there are adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with all applicable laws, rules, regulations and guidelines.

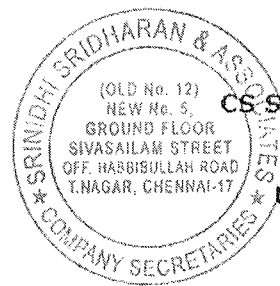


CIN: L65993TN1978PLC012913

**We further report that** there were no specific events having major bearing on the Company's affairs in pursuance of above referred laws, rules, regulations, guidelines and standards during the period under review.

**PLACE: CHENNAI**  
**DATE: 14<sup>TH</sup> MAY, 2018**

**For SRINIDHI SRIDHARAN & ASSOCIATES**  
**COMPANY SECRETARIES**



*Srinidhi*  
**CS SRINIDHI SRIDHARAN**  
**CP No. 17990**  
**ACS No. 47244**  
**UIN: S2017TN472300**



**FORM NO. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**For the financial year ended March 31, 2018**  
*[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]*

**I. REGISTRATION AND OTHER DETAILS**

<b>Corporate Identification Number (CIN)</b>	L65993TN1978PLC012913
<b>Registration Date</b>	25 January, 1978
<b>Name of the Company</b>	Kartik Investments Trust Limited
<b>Category / Sub-Category of the Company</b>	Public Company / Limited by shares
<b>Address of the Registered office and contact details</b>	Parry House, II Floor, 43, Moore Street, Parris, Chennai 600 001 Phone: 044 2530 7123 Fax: 044 25346464 E-mail: kartikinvestmentstrust@gmail.com
<b>Listed company (Yes / No)</b>	Yes
<b>Name, address and contact details of Registrar and transfer agent, if any</b>	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli Financial District, Nanakramguda, Hyderabad, Telangana – 500032 Phone: 040-67162222 Fax: 040-23001153

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10 % or more of the total turnover of the company are given below:

S. No.	Name and description of main products / services	NIC Code of the product/ Service*	% to total turnover of the company
1	Investment Company	Section K – Group 649 –Other Financial Service activities, except insurance and pension funding activities	56.41%

\*As per National Industrial Classification, Ministry of Statistics and Programme Implementation

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES - NIL**

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**

**(i) Category-wise Share Holding**

SN	Shareholder's Name	No. of Shares held at the beginning of the year (01-APR-2017)				No. of Shares held at the end of the year (31-MAR-2018)				% Change during the year
		Demat	Physical	Total No. of Shares	% to Total No. of Shares	Demat	Physical	Total No. of Shares	% to Total No. of Shares	
(A)	<b>PROMOTER AND PROMOTER GROUP</b>									
(1)	INDIAN									
(a)	Individuals /HUF	600	0	600	0.25	600	0	600	0.25	0.00
(b)	Central Government/State Government(s)			0	0.00			0	0.00	0.00
(A)	<b>PROMOTER AND PROMOTER GROUP</b>									

SN	Shareholder's Name	No. of Shares held at the beginning of the year (01-APR-2017)				No. of Shares held at the end of the year (31-MAR-2018)				% Change during the year
		Demat	Physical	Total No. of Shares	% to Total No. of Shares	Demat	Physical	Total No. of Shares	% to Total No. of Shares	
(c)	Bodies Corporate	1,77,950	0	1,77,950	72.93	1,77,950	0	1,77,950	72.93	0.00
(d)	Financial Institutions / Banks			0	0.00			0	0.00	0.00
(e)	Any Other - Trust	4000	0	4,000	1.64	4,000	0	4,000	1.64	0.00
	<b>Sub-Total A(1) :</b>	<b>1,82,550</b>	<b>0</b>	<b>1,82,550</b>	<b>74.82</b>	<b>1,82,550</b>	<b>0</b>	<b>1,82,550</b>	<b>74.82</b>	<b>0.00</b>
(2)	<b>FOREIGN</b>									
(a)	Individuals (NRIs/Foreign Individuals)	0	0	0	0.00	0	0	0	0.00	0.00
(b)	Bodies Corporate	0	0	0	0.00	0	0	0	0.00	0.00
(c)	Institutions	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(e)	Any Other :	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total A(2) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>Total Shareholding of Promoter and Promoter Group A=A(1)+A(2)</b>	<b>1,82,550</b>	<b>0</b>	<b>1,82,550</b>	<b>74.82</b>	<b>1,82,550</b>	<b>0</b>	<b>1,82,550</b>	<b>74.82</b>	<b>0.00</b>
(B)	<b>PUBLIC SHAREHOLDING</b>									
(1)	<b>INSTITUTIONS</b>									
(a)	Mutual Funds /UTI	0	0	0	0	0	0	0	0	0.00
(b)	Financial Institutions /Banks	0	0	0	0	0	0	0	0	0.00
(c)	Central Government / State Government(s)	0	0	0	0	0	0	0	0	0.00
(d)	Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
(e)	Insurance Companies	0	0	0	0	0	0	0	0	0.00
(f)	Foreign Institutional Investors	0	0	0	0	0	0	0	0	0.00
(g)	Foreign Venture Capital Investors	0	0	0	0	0	0	0	0	0.00
(h)	Qualified Foreign Investor	0	0	0	0	0	0	0	0	0.00
(i)	Any Other :	0	0	0	0	0	0	0	0	0.00
	<b>Sub-Total B(1) :</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
(2)	<b>NON-INSTITUTIONS</b>									
(a)	Bodies Corporate	19240	10200	29,440	12.07	19240	10200	29,440	12.07	0.00
(b)	Individuals									
	(i) Individual shareholders holding nominal share capital upto Rs.1 lakh	12400	19610	32,010	13.12	12400	19610	32,010	13.12	0.00
	(ii) Individual shareholders	0	0	0	0.00	0	0	0	0.00	0.00

SN	Shareholder's Name	No. of Shares held at the beginning of the year (01-APR-2017)				No. of Shares held at the end of the year (31-MAR-2018)				% Change during the year
		Demat	Physical	Total No. of Shares	% to Total No. of Shares	Demat	Physical	Total No. of Shares	% to Total No. of Shares	
	holding nominal share capital in excess of Rs.1 lakh									
(c)	Qualified Foreign Investor	0	0	0	0.00	0	0	0	0.00	0.00
(d)	Any Other - NRI/Clearing Members	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total B(2) :</b>	<b>31640</b>	<b>29,810</b>	<b>61,450</b>	<b>25.18</b>	<b>31640</b>	<b>29,810</b>	<b>61,450</b>	<b>25.18</b>	<b>0.00</b>
	<b>Total Public Shareholding B=B(1)+B(2) :</b>	<b>31640</b>	<b>29,810</b>	<b>61,450</b>	<b>25.18</b>	<b>31640</b>	<b>29,810</b>	<b>61,450</b>	<b>25.18</b>	<b>0.00</b>
	<b>Total (A+B) :</b>	<b>2,14,190</b>	<b>29,810</b>	<b>2,44,000</b>	<b>100.00</b>	<b>2,14,190</b>	<b>29,810</b>	<b>2,44,000</b>	<b>100.00</b>	<b>0.00</b>
(C)	SHARES HELD BY CUSTODIANS, AGAINST WHICH DEPOSITORY RECEIPTS HAVE BEEN ISSUED									
1	Promoter and Promoter Group	0	0	0	0.00	0	0	0	0.00	0.00
2	Public	0	0	0	0.00	0	0	0	0.00	0.00
	<b>Sub-Total (C)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>	<b>0.00</b>
	<b>GRAND TOTAL (A+B+C) :</b>	<b>2,14,190</b>	<b>29,810</b>	<b>2,44,000</b>	<b>100.00</b>	<b>2,14,190</b>	<b>29,810</b>	<b>2,44,000</b>	<b>100.00</b>	<b>0.00</b>

(ii) Shareholding of Promoters

SN.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
	<b>PROMOTERS</b>							
1.	M.V. Murugappan	100	0.04	Nil	100	0.04	Nil	Nil
2.	M.V. Subbiah	100	0.04	Nil	100	0.04	Nil	Nil
3.	S. Vellayan	-	-	-	-	-	-	-
4.	A. Vellayan	50	0.02	Nil	50	0.02	Nil	Nil
5.	V. Narayanan	-	-	-	-	-	-	-
6.	V. Arunachalam	-	-	-	-	-	-	-
7.	A. Venkatachalam	50	0.02	Nil	50	0.02	Nil	Nil
8.	Arun Venkatachalam	-	-	-	-	-	-	-
9.	M.M. Murugappan	100	0.04	Nil	100	0.04	Nil	Nil
10.	M.M. Veerappan	-	-	-	-	-	-	-
11.	M.M. Muthiah	-	-	-	-	-	-	-
12.	M.M. Venkatachalam	-	-	-	-	-	-	-

13.	M.V. Muthiah	-	-	-	-	-	-	-
14.	M.V. Subramanian	-	-	-	-	-	-	-
15.	M.A. Alagappan	100	0.04	Nil	100	0.04	Nil	Nil
16.	Arun Alagappan	-	-	-	-	-	-	-
17.	M.A.M. Arunachalam	-	-	-	-	-	-	-
18.	E.I.D. Parry (India) Ltd.	23600	9.67	Nil	23600	9.67	Nil	Nil
19.	Coromandel International Ltd.	-	-	-	-	-	-	-
20.	New Ambadi Estates Pvt.	-	-	-	-	-	-	-
21.	Murugappa Holdings Ltd. <sup>\$</sup> (Refer note)							
21.	Ambadi Enterprises Ltd.	-	-	-	-	-	-	-
22.	Ambadi Investments Ltd. (Formerly Ambadi Investments Pvt. Ltd) #	74758	30.64	Nil	74758	30.64	Nil	Nil
23.	TI Financial Holdings Limited (Formerly Tube Investments of India Ltd.)*	33790	13.85	Nil	33790	13.85	Nil	Nil
24.	Carborundum Universal	24240	9.93	Nil	24240	9.93	Nil	Nil
25.	Murugappa & Sons (M.V. Murugappan, M.A. Alagappan and M.M. Murugappan hold shares on behalf of the Firm)	100	0.04	Nil	100	0.04	Nil	Nil
	<b>PROMOTER (A)</b>	<b>1,56,988</b>	<b>64.34</b>	-	<b>1,56,988</b>	<b>64.34</b>	-	-
	<b>PROMOTER GROUP (B)</b>	<b>25,562</b>	<b>10.48</b>	-	<b>25,562</b>	<b>10.48</b>	-	-
	<b>TOTAL (A)+(B)</b>	<b>1,82,550</b>	<b>74.82</b>	-	<b>1,82,550</b>	<b>74.82</b>	-	-

**Note:**

1. \$ - Murugappa Holdings Limited and Pressmet Private Limited amalgamated with Ambadi Investments Private Limited.
2. # - The name of Ambadi Investments Private Limited (AIPL) was changed as Ambadi Investments Limited (AIL).
3. \*-Consequent to demerger of Tube Investments of India Limited the name was changed as TI Financial Holdings Limited.

**(iii) Change in Promoters' Shareholding (please specify, if there is no change)**

SI. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	At the beginning of the year	1,82,550	74.82	1,82,550	74.82
2.	Date wise Increase / decrease in Promoters' Shareholding during the year specifying the reasons for increase / decrease	NIL	NIL	NIL	NIL
3.	At the End of the year- Promoter and Promoter Group	1,82,550	74.82	1,82,550	74.82

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

S.No	Name	Shareholding		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2017 to 31-03-2018)	
		No. of Shares at the beginning (01-04-2017) / end of the year (31-03-2018)	% of total shares of the Company				No. of Shares	% of total shares of the Company
1	IGFT Private Limited	10100	4.14	01-04-2017	0	Nil movement during the year		
		10100	4.14	31-03-2018			10,100	4.14
2	Anuj A Sheth JT.1. Parul A Sheth	6200	2.54	01-04-2017	0			
		6200	2.54	31-03-2018			6,200	2.54
3	Hiten A Sheth JT.1. Deepa H Sheth	6200	2.54	01-04-2017	0			
		6200	2.54	31-03-2018			6,200	2.54
4	Gagandeep Credit Capital Pvt. Ltd.	6200	2.54	01-04-2017	0			
		6200	2.54	31-03-2018			6,200	2.54
5	Prescient Securities Pvt. Ltd.	6200	2.54	01-04-2017	0			
		6200	2.54	31-03-2018			6,200	2.54
6	Anvil Fintrade Pvt. Ltd.	6200	2.54	01-04-2017	0			
		6200	2.54	31-03-2018			6,200	2.54
7	Dharmesh R Shah	3000	1.23	01-04-2017	0			
		3000	1.23	31-03-2018			3,000	1.23
8	Anuj Katta	1200	0.49	01-04-2017	0			
		1200	0.49	31-03-2018			1,200	0.49
9	Veerappan Ct	1100	0.45	01-04-2017	0			
		1100	0.45	31-03-2018			1,100	0.45
10	Alagappan Murugappan	880	0.36	01-04-2017	0			
		880	0.36	31-03-2018		880	0.36	

(v) Shareholding of Directors and Key Managerial Personnel

SN.	Name of the Director / KMP	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding		End of the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	<b>Directors:</b>	At the beginning – 01.04.2017 & end of the year – 31.03.2018 (No change in the shareholding position during the year)						
1	Mr. R Surendran		NIL	NIL	NIL	NIL	NIL	NIL
2	Mr. R Chandrasekar		NIL	NIL	NIL	NIL	NIL	NIL
3	Ms. A Kavitha		NIL	NIL	NIL	NIL	NIL	NIL
	<b>KMP:</b>	At the beginning – 01.04.2017 & end of the year – 31.03.2018 (No change in the shareholding position during the year)						
4	Mr. R Chandrasekar		NIL	NIL	NIL	NIL	NIL	NIL
5	Ms. Bala Ravi		NIL	NIL	NIL	NIL	NIL	NIL
6	Ms. S Sangeetha		NIL	NIL	NIL	NIL	NIL	NIL

**(vi) INDEBTEDNESS OF THE COMPANY INCLUDING INTEREST OUTSTANDING/ ACCRUED BUT NOT DUE FOR PAYMENT: NIL**

**(vii) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

**A. Remuneration to Directors:**

S.No.	Particulars of Remuneration	Name of Directors		Total Amount (in Rs.)
		R Surendran	A Kavitha	
<b>1.</b>	<b>Independent Directors</b>			
	• Fee for attending board / committee meetings	20,000	-	20,000
	• Commission	-	-	-
	• Others, please specify	-	-	-
	<b>Total (1)</b>	-	-	<b>20,000</b>
<b>2.</b>	<b>Other Non-Executive Directors</b>	<b>R Chandrasekar</b>		
	• Fee for attending board / committee meetings	-	-	-
	• Commission	-	-	-
	• Others, please specify	-	-	-
	<b>Total (2)</b>	-	-	-
	<b>Total (B)=(1+2)</b>			<b>20,000</b>
	Total Managerial Remuneration			<b>20,000</b>
	Overall Ceiling as per the Act			<b>4,00,000**</b>

*\*\*Pursuant to Rule 4 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, maximum sitting fees payable shall not exceed rupees one lakh per meeting of the board or committee. In accordance with Rule 4, sitting fee of Rs. 5000 is paid for each board meeting attended by Mr.Surendran, Independent Director.*

**(viii). PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

There were no penalties, punishment or compounding of offences during the year ended 31 March, 2018.

## Annexure-IV

Information under section 197(12) of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the board's report for the year ended March 31, 2018

Nature of Disclosure	Particulars		
a) Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	<b>Name of the Director / Designation</b>	<b>% increase of remuneration in 2018 as compared to 2017</b>	<b>Ratio of Remuneration to Median Remuneration of employees</b>
	Mr. R Surendran, Independent Chairman	NIL	
	Mr. R Chandrasekar, Non-Executive	NA	
	Ms. A Kavitha, Independent Director	NA	
b) Percentage increase in remuneration of CFO, CS in the financial year	<b>Name of the KMP / Designation</b>	<b>% increase in remuneration in 2018 as compared to 2017</b>	
	Ms. Bala Ravi	NA	
	Ms. S Sangeetha	NA	
c) Percentage increase in median remuneration of employees in the financial year			
d) Number of permanent employees on the rolls of company (as of 31 March, 2017)	-	NIL	-
e) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Not applicable as there are no employees other than the managerial personnel in the Company during the FY17 and FY18.		
f) Affirmation that the remuneration is as per the remuneration policy of the company	The remuneration is in line with the remuneration policy of the company.		

On behalf of the Board

Place : Chennai  
Date : May 14, 2018

**R Surendran**  
Chairman

**INDEPENDENT AUDITOR'S REPORT**

**To The Members of Kartik Investments Trust Limited**

**Report on the Ind AS Financial Statements**

We have audited the accompanying Ind AS financial statements of **Kartik Investments Trust Limited** ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS 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 Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.



ANNEXURE 'A'

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of Kartik Investments Trust Limited on the accounts of the company for the year ended 31<sup>st</sup> March, 2018.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

- i. The Company does not have any Fixed Assets. Hence Clause 3(i) of the Order is not applicable
- ii. The Company does not have any inventories and hence Clause 3(ii) of the Order is not applicable.
- iii. The company has not granted any loans, secured or unsecured to companies, firms Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act.
- iv. The Company has not given any loans, guarantees or security. As the company's principal business is acquisition of securities the provisions of Section 186 as are applicable to other companies are not applicable to this company.
- v. The company has not accepted any deposits during the year. Hence Clause 3(v) of the Order is not applicable.
- vi. The Company being an Investment Company, Clause 3(vi) of the Order relating to maintenance of cost records is not applicable.
- vii. (a) According to the information and explanations given to us, and records of the Company examined by us, in our opinion, the Company is generally regular in depositing the undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues as applicable, with the appropriate authorities. There are no arrears of undisputed statutory dues outstanding as at 31st March 2018 for a period of more than six months from the date they become payable.  
  
(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 or sales tax or service tax or duty of customs or duty of excise or value added tax or cess which have not been deposited on account of any dispute.
- viii. The Company has not borrowed any amounts from any financial institution, bank or debenture holders..
- ix. The Company has not raised by way of initial public offer or further public offer (including debt instruments) and term loans.
- x. During the course of our examination of the Books and Records of the Company carried out in accordance with the Generally Accepted Auditing Practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company noticed or reported during the year nor have we been informed of such case by the Management.
- xi. The Company has not paid any managerial remuneration during the year.

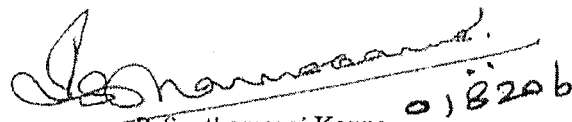
### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at 31st March, 2018, and its profit (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books
  - c. The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the aforesaid Ind AS financial statements comply with the Indian Accounting Standards prescribed under section 133 of the Act.
  - e. On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
  - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company does not have any pending litigations which would impact its financial position.
    - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
    - iii. There were no amounts which were, required to be transferred, to the Investor Education and Protection Fund by the Company.



  
018206

P. Senthamarai Kannan  
Chartered Accountant  
Membership No. : 018206

Place: Chennai  
Date: 14<sup>th</sup> May 2018

- xii. The provisions of clause (xii) are not applicable to the company as it is not a Nidhi Company.
- xiii. According to the information and explanations given to us, the company has complied with section 177 and 188 of the Act wherever applicable and has disclosed the transactions with related parties as required by the applicable accounting standards
- xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under Section 42 of the Act.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them.
- xvi. According to the information and explanations given to us, the Company is not required to be registered under section 45- IA of the Reserve Bank of India Act, 1934.



**P. Senthamarai Kannan**  
**Chartered Accountant**  
**Membership No : 018206**

Place: Chennai  
Date: 14<sup>th</sup> May 2018

*P. Senthamarai Kannan*  
Chartered Accountant

337/4, Second Avenue,  
Anna Nagar, Chennai 600040

**ANNEXURE 'B'**

**ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE  
STANDALONE FINANCIAL STATEMENTS OF KARTIK INVESTMENTS TRUST  
LIMITED**

**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the  
Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of KARTIK INVESTMENTS TRUST LIMITED ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.



*P. Senthamarai Kannan*

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my /our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that :

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In my / our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.



**P. Senthamarai Kannan**  
**Chartered Accountant**  
**Membership No.018206**  
**Place: Chennai**  
**Date: 14<sup>th</sup> May 2018**



KARTIK INVESTMENTS TRUST LIMITED.  
Balance Sheet as at 31st MARCH 2018  
(All amounts are in Indian rupees unless otherwise stated)

Notes	As at 31- March- 2018	As at 31-March- 2017	As at 01-April-16	
<b>ASSETS</b>				
<b>Non-Current Assets</b>				
<b>Financial Assets</b>				
Investments	2	2,26,65,060	2,40,89,169	2,04,51,930
Other non-current assets	3	7,38,621	7,44,632	7,06,245
		<u>2,34,03,681</u>	<u>2,48,33,801</u>	<u>2,11,58,175</u>
<b>Current Assets</b>				
<b>Financial Assets</b>				
Cash and Cash Equivalents	4	53,42,420	53,26,183	49,50,430
Other current assets	5	34,046	41,353	46,573
		<u>53,76,466</u>	<u>53,67,536</u>	<u>49,97,003</u>
<b>Total Assets</b>		<u><u>2,87,80,147</u></u>	<u><u>3,02,01,337</u></u>	<u><u>2,61,55,178</u></u>
<b>EQUITY AND LIABILITIES</b>				
<b>Equity</b>				
Equity Share Capital	6	24,40,000	24,40,000	24,40,000
Other Equity	7	2,28,69,262	2,39,59,005	2,08,31,554
<b>Total Equity</b>		<u>2,53,09,262</u>	<u>2,63,99,005</u>	<u>2,32,71,554</u>
<b>Non - Current Liabilities</b>				
Deferred Tax Liabilities (Net)	8	32,04,400	35,45,999	26,98,545
<b>Total non-current liabilities</b>		<u>32,04,400</u>	<u>35,45,999</u>	<u>26,98,545</u>
<b>Current Liabilities</b>				
<b>Financial Liabilities</b>				
Trade Payables	9	1,25,971	1,46,448	1,07,379
Other Current Liabilities	10	1,40,514	1,09,885	77,700
		<u>2,66,485</u>	<u>2,56,333</u>	<u>1,85,079</u>
<b>TOTAL EQUITY AND LIABILITIES</b>		<u><u>2,87,80,147</u></u>	<u><u>3,02,01,337</u></u>	<u><u>2,61,55,178</u></u>

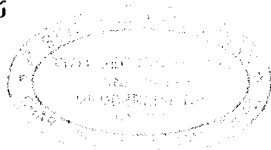
See accompanying Notes forming part of the Financial Statements

The accompanying notes are an integral part of these financial statements

In terms of our report attached



P.SENTHAMARAI KANNAN  
Membership no. 018206



Place: Chennai  
Date: 14th May 2018

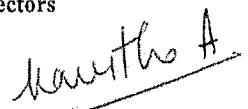
For and on behalf of the Board of Directors



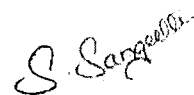
R SURENDRAN  
Chairman



BALA RAVI  
Chief Financial Officer



A KAVITHA  
Director



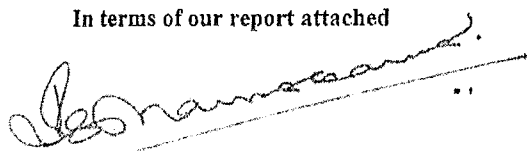
SANGEETHA  
Company Secretary

KARTIK INVESTMENTS TRUST LIMITED  
**Statement of Profit and Loss for the Year Ended March 31, 2018**  
*(All amounts are in Indian rupees unless otherwise stated)*

	Notes	Year Ended 31-March-2018	Year Ended 31-March-2017
<b>Revenue from Operations</b>			
Revenue from Operations	11	4,25,256	5,24,140
Other Income	12	3,28,637	3,83,882
<b>Total Income</b>		<b>7,53,893</b>	<b>9,08,022</b>
<b>Expenses</b>			
Finance Costs	13	1,548	6,973
Other Expenses	14	7,59,730	5,63,383
<b>Total Expense</b>		<b>7,61,278</b>	<b>5,70,356</b>
<b>Profit/(loss) Before Tax</b>		<b>(7,385)</b>	<b>3,37,666</b>
<b>Income Tax</b>			
- Current Tax		-	-
- Deferred Tax (Net)		-	-
<b>Profit/(loss) after tax (I)</b>		<b>(7,385)</b>	<b>3,37,666</b>
<b>Other Comprehensive income:</b>			
<b>Other comprehensive income not to be reclassified to profit or loss in subsequent periods:</b>			
Re-measurement gains and (losses) on defined benefit obligations (net)		-	-
Income tax effect		-	-
Net loss/gain on FVTOCI equity security		-14,23,957	36,37,239
Income tax effect		-3,41,599	8,47,453
<b>Other comprehensive income/(loss) for the year, net of tax (II)</b>		<b>(10,82,358)</b>	<b>27,89,785</b>
<b>Total comprehensive income for the year, net of tax (I + II)</b>		<b>(10,89,743)</b>	<b>31,27,451</b>
<b>Earnings Per Equity Share (Nominal value per share Re. 10)</b>			
(a) Basic	15	(0.03)	1.38
(b) Diluted	15	(0.03)	1.38

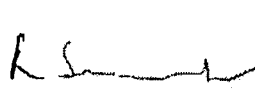
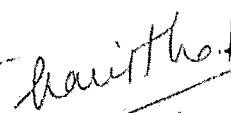
The accompanying notes are an integral part of these financial statements

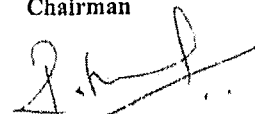
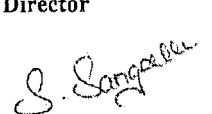
In terms of our report attached

  
**P. SENTHAMARAI KANNAN**  
 Membership no. 018206

Place: Chennai  
 Date: 14th May 2018

For and on behalf of the Board of Directors

   
**R SURENDRAN** **A KAVITHA**  
 Chairman Director

   
**BALA RAVI** **SANGEETHA**  
 Chief Financial Officer Company Secretary

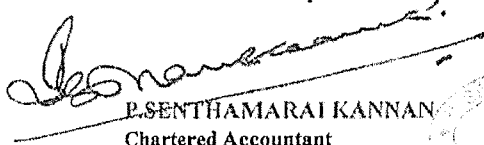
**KARTIK INVESTMENTS TRUST LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2018**

	2017 -2018		2016-2017	
	Rs.	Rs.	Rs.	Rs.
<b>A CASH FLOWS FROM OPERATING ACTIVITIES</b>				
NET PROFIT/(LOSS) BEFORE TAX	(7,385)		3,37,666	
ADJUSTMENTS FOR :				
Interest Received	(3,28,637)		(3,83,882)	
Profit on sale of investments	(1,958)		-	
Dividend	(4,23,298)		(5,24,140)	
Provision for diminution in the value of investments	-		-	
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(7,61,278)		(5,70,356)	
ADJUSTEMENTS FOR :				
(Increase)/decrease in Other Non Current	6,011		(38,387)	
(Increase)/decrease in Other Current Assets	41,353		46,573	
Increase/(decrease) in Current Liabilities	30,629		32,185	
Increase/(decrease) in Trade Payable	(20,477)		39,069	
CASH GENERATED FROM OPERATIONS	(7,03,762)		(4,90,916)	
<b>NET CASH FROM OPERATING ACTIVITIES</b>	(A)	(7,03,762)		(4,90,916)
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>				
Sale / (Purchase) of Investments	2,110		-	
Interest Received on Bank and Other deposits	2,94,591		3,42,529	
Dividend Received on Investments	4,23,298		5,24,140	
Fixed Deposit More than 3 months Maturity	5,00,000		(2,00,000)	
<b>NET CASH USED IN INVESTING ACTIVITIES</b>	(B)	12,19,999		6,66,669
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>				
<b>NET CASH USED IN FINANCING ACTIVITIES</b>	(C)	-		-
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS</b>	(A+B+C)	5,16,237		1,75,753
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF THE YEAR		2,26,183		50,430
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR		7,42,420		2,26,183
<b>COMPONENTS OF CASH AND CASH EQUIVALENTS</b>				
BALANCE AS PER BALANCE SHEET (NOTE 6)		53,42,420		53,26,183
LESS : Deposits with original maturity period of more than 3 months		46,00,000		51,00,000
<b>TOTAL CASH AND CASH EQUIVALENTS</b>		7,42,420		2,26,183
CASH AND CASH EQUIVALENTS AS AT BEGINNING OF THE YEAR		2,26,183		50,430
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR		7,42,420		2,26,183

This is the Cash Flow Statement referred to in our report of even date

In terms of our report attached

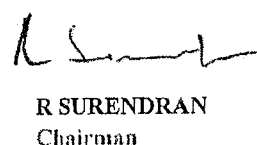
  
P. SENTHAMARAI KANNAN  
Chartered Accountant

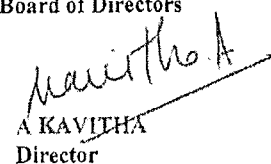
Membership no. 018206

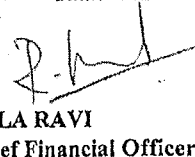
Place: Chennai

Date: 14th May 2018

For and on behalf of the Board of Directors

  
R SURENDRAN  
Chairman

  
A KAVITHA  
Director

  
BALA RAVI  
Chief Financial Officer

  
SANGEETHA  
Company Secretary



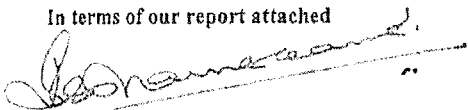
**KARTIK INVESTMENTS TRUST LIMITED**  
**Statement of Changes in Equity for the period ended 31st March 2018**  
*(All amounts are in Indian rupees unless otherwise stated)*

Equity

Particulars	Share Capital	Reserves & Surplus	Items of other comprehensive income	Total
	Equity Share Capital	Retained earnings	Equity Instruments through Other comprehensive Income	
Balance at April 1, 2016	24,40,000	91,04,235	1,17,27,319	2,32,71,554
2016-17				-
Equity shares issued during the year				-
Profit/(Loss) for the Year		3,37,666		3,37,666
Other comprehensive income for the year, net of income tax			27,89,785	27,89,785
Balance at March 31, 2017	24,40,000	94,41,901	1,45,17,104	2,63,99,005
2017-18				
Balance as at April 1, 2017	24,40,000	94,41,901	1,45,17,104	2,63,99,005
Equity shares issued during the year				
Profit/(Loss) for the Year		(7,385)		(7,385)
Other comprehensive income for the year, net of income tax			(10,82,358)	(10,82,358)
Balance at March 31, 2018	24,40,000	94,34,516	1,34,34,746	2,53,09,262

The accompanying notes are an integral part of these financial statements

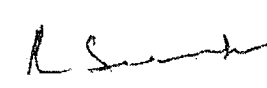
In terms of our report attached



**P. SENTHAMARAI KANNAN**  
Chartered Accountant  
Membership no. 018206

Place: Chennai  
Date: 14th May 2018

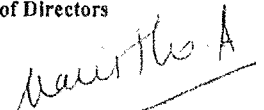
For and on behalf of the Board of Directors



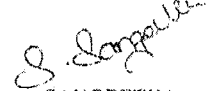
**R SURENDRAN**  
Chairman



**BALA RAVI**  
Chief Financial Officer



**KAVITHA**  
Director



**SANGEETHA**  
Company Secre

**KARTIK INVESTMENTS TRUST LIMITED**  
**NOTES FORMING PART OF ACCOUNTS**

ACCOMPANYING NOTES TO FINANCIAL STATEMENTS

**Corporate information**

**Application of new and revised Ind AS**

As at the date of preparation of these Financial statements, all the Ind AS issued and ratified by the MCA have been applied.

**Statement of Compliance**

The financial statements have been prepared in accordance with Ind ASs notified under the Companies (Indian Accounting Standards) Rules, 2015.

**1. SIGNIFICANT ACCOUNTING POLICIES**

**a) Basis of Preparation of Financial Statements**

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure purposes in these financial statements is determined on such a basis.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurement in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

For all periods up to and including the year ended 31 March 2017, the Company prepared its financial statements in accordance with Indian GAAP, including accounting standards notified under the section 133 of the Companies Act 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. These financial statements for the year ended 31st March 2018 are the first to the Company.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and liabilities measured at fair value. The financial statements are presented in INR and all values are absolute, except for Earnings per Share.

**b) Basis of Accounting**

The Financial Statements have been prepared under the historical cost convention under accrual basis of accounting

**c) Use of Estimates**

The preparation of financial statements in conformity with Ind AS requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and the disclosure of contingent liabilities, like other provisions during and at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.



d) **Revenue Recognition**

Revenue is measured at the fair value of the consideration received or receivable.

i. Dividend and interest income

a). Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably).

b). Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

e) **Earnings per Share**

The Company presents basic and diluted earnings per share ("EPS") data for its equity shares. Basic EPS is calculated by dividing the profit or loss attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted EPS is determined by adjusting the profit or loss attributable to equity shareholders and the weighted average number of equity shares outstanding for the effects of all dilutive potential equity shares.

f) **Current tax**

(i) **Taxation**

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the statement of profit and loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using tax rates that have been enacted or substantively enacted by the end of the reporting period.

(ii) **Deferred tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilized. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realized, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

g) **Current and deferred tax for the year**

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.



#### h) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material). When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognised as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

#### i) Financial instruments

Financial assets and financial liabilities are recognised when a company entity becomes a party to the contractual provisions of the instruments.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in profit or loss.

#### j) Financial assets

All regular way purchases or sales of financial assets are recognised and derecognized on a trade date basis. Regular way purchases or sales are purchases or sales of financial assets that require delivery of assets within the time frame established by regulation or convention in the marketplace.

All recognised financial assets are subsequently measured in their entirety at either amortized cost or fair value, depending on the classification of the financial assets

##### Classification of financial assets

Debt instruments that meet the following conditions are subsequently measured at amortized cost (except for debt instruments that are designated as at fair value through profit or loss on initial recognition):

- the asset is held within a business model whose objective is to hold assets in order to collect contractual cash flows; and
- the contractual terms of the instrument give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.
- the debt instruments carried at amortised cost include cash.

##### Investments in equity instruments at FVTOCI

On initial recognition, the Company can make an irrevocable election (on an instrument-by-instrument basis) to present the subsequent changes in fair value in other comprehensive income pertaining to investments in equity instruments. This election is not permitted if the equity investment is held for trading. These elected investments are initially measured at fair value plus transaction costs. Subsequently, they are measured at fair value with gains and losses arising from changes in fair value recognised in other comprehensive income and accumulated in the 'Reserve for equity instruments through other comprehensive income'. The cumulative gain or loss is not reclassified to profit or loss on disposal of the investments.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and has a
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

Dividends on these investments in equity instruments are recognised in profit or loss when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably. Dividends recognised in profit or loss are included in the 'Other income' line item.

### **Effective interest method**

The effective interest method is a method of calculating the amortized cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL. Interest income is recognised in profit or loss and is included in the "Other income" line item.

### **Financial assets at fair value through profit or loss (FVTPL)**

The Company carries Investment in Mutual fund at FVTPL. Financial assets at FVTPL also includes assets held for trading.

A financial asset is held for trading if:

Financial assets at FVTPL are measured at fair value at the end of each reporting period, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any dividend or interest earned on the financial asset and is included in the 'Other income' line item. Dividend on financial assets at FVTPL is recognised when the Company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity, the dividend does not represent a recovery of part of cost of the investment and the amount of dividend can be measured reliably.

### **Derecognition of financial assets**

The Company derecognises a financial asset when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another party. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

## **k) Financial liabilities and equity instruments**

### **Classification as debt or equity**

Debt and equity instruments issued by the company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

### **Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a company entity are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in profit or loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

## **l) Financial liabilities**

All financial liabilities are subsequently measured at amortised cost using the effective interest method or at FVTPL.

However, financial liabilities that arise when a transfer of a financial asset does not qualify for derecognition or when the continuing involvement approach applies, financial guarantee contracts issued by the Company, and commitments issued by the Company to provide a loan at below-market interest rate are measured in accordance with the specific accounting policies set out below.

### **L.1. Financial liabilities at FVTPL**

Financial liabilities at FVTPL includes derivative liabilities. Non-derivative financial liabilities are classified as at FVTPL when the financial liability is either contingent consideration recognised by the Company as an acquirer in a business combination to which Ind AS 103 applies or is held for trading or it is designated as at FVTPL. There are no non-derivative financial liabilities carried at FVTPL.



Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in profit or loss. The net gain or loss recognised in profit or loss incorporates any interest paid on the financial liability and is included in the 'Other income' line item.

Financial liabilities that are not held-for-trading and are not designated as at FVTPL are measured at amortized cost at the end of subsequent accounting periods. The carrying amounts of financial liabilities that are subsequently measured at amortized cost are determined based on the effective interest method. Interest expense that is not capitalized as part of costs of an asset is included in the 'Finance costs' line item.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

#### **Derecognition of financial liabilities**

The Company derecognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or have expired. An exchange between with a lender of debt instruments with substantially different terms is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. Similarly, a substantial modification of the terms of an existing financial liability (whether or not attributable to the financial difficulty of the debtor) is accounted for as an extinguishment of the original financial liability and the recognition of a new financial liability. The difference between the carrying amount of the financial liability derecognized and the consideration paid and payable is recognised in profit or loss.

#### **m) Cash Flow Statement**

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

#### **n) First-time adoption – mandatory exceptions, optional exemptions**

##### **a. Overall principle**

The Company has prepared the opening balance sheet as per Ind AS as of April 1, 2016 (the transition date) by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to the certain exception and certain optional exemptions availed by the Company as detailed below.

##### **b. Derecognition of financial assets and financial liabilities**

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after April 1, 2016 (the transition date).

##### **c. Classification of debt instruments**

The Company has determined the classification of debt instruments in terms of whether they meet the amortized cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

##### **d. Impairment of financial assets**

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101. The Company has determined the classification of debt instruments in terms of whether they meet the amortized cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

#### **o) Operating Cycle**

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realisation in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.



**KARTIK INVESTMENTS TRUST LIMITED**

Notes Forming Part of the Financial Statements for the Year Ended March 31, 2018

(All amounts are in Indian rupees unless otherwise stated)

Note 2 Financial assets - Investments

	Face Value	No	As at 31-Mar-2018	As at 31-Mar-2017	As at 1-Apr-2016
<b>Investments at Fair Value Through Other Comprehensive Income (FVTOCI):</b>					
<b>Quoted</b>					
The Coromandel Engineering Co. Ltd	10	26,776	12,74,538	10,40,248	15,16,860
<b>Unquoted</b>					
Cholamandalam MS Risk Services Ltd	10	10,015	8,91,335	7,79,167	6,99,047
Chola Business Services Ltd	10	9,500	15,96,949	15,96,949	15,19,698
Murugappa Management Services Ltd	100	6,727	20,71,916	20,71,916	20,04,646
Murugappa Morgan Thermal Ceramic Ltd	10	1	42	42	42
Parry Enterprises Ltd	10	2,01,600	1,30,43,520	1,17,27,072	82,61,568
Cholamandalam MS General Insurance Ltd	10	103	4,468	3,706	2,940
Amaravathi Sri Venkatesa Paper Mills Ltd	10	70,000	-	30,87,777	30,87,777
Chola Insurance Distribution Services Private Ltd	10	12,084	37,82,292	37,82,292	33,59,352
<b>Total</b>			<b>2,26,65,060</b>	<b>2,40,89,169</b>	<b>2,04,51,930</b>

**KARTIK INVESTMENTS TRUST LIMITED**

Notes Forming Part of the Financial Statements for the Year Ended March 31, 2018

*(All amounts are in Indian rupees unless otherwise stated)*

Note 3 Other non-current assets	As at 31-Mar-2018	As at 31-Mar-2017	As at 1-Apr-2016
(Considered Good, Unsecured unless stated otherwise)			
Advance Income Tax (Net of Provision)	7,38,621	7,44,632	7,06,245
	<u>7,38,621</u>	<u>7,44,632</u>	<u>7,06,245</u>

Note 4 - Cash and Cash Equivalents	As at 31-Mar-2018	As at 31-Mar-2017	As at 1-Apr-2016
<b>Balances with banks:</b>			
- On current accounts	7,42,420	2,26,183	50,430
- On Fixed Deposits accounts	46,00,000	51,00,000	49,00,000
	<u>53,42,420</u>	<u>53,26,183</u>	<u>49,50,430</u>

Note 5 - Other current assets	As at 31-Mar-2018	As at 31-Mar-2017	As at 1-Apr-2016
Unsecured Considered Good			
Interest Accrued on Bank Deposits	34,046	41,353	46,573
	<u>34,046</u>	<u>41,353</u>	<u>46,573</u>





**| KARTIK INVESTMENTS TRUST LIMITED**

Notes Forming Part of the Financial Statements for the Year Ended March 31,2018

(All amounts are in Indian rupees unless otherwise stated)

**Note - 6 Equity Share Capital**

	As at 31-Mar-2018	As at 31-Mar-2017	As at 1-Apr-2016
<b>Authorised Capital</b>			
1000000 Equity Shares of Rs.10 each	10000000	10000000	10000000
<b>Issued, Subscribed and Paid-up Capital</b>			
244000 Equity Shares of Rs.10 each	2,440,000	2,440,000	2,440,000
	<u>2,440,000</u>	<u>2,440,000</u>	<u>2,440,000</u>

**1. Shareholders holding more than 5% of the Equity Shares in the company**

Name of the Shareholder	31/03/2018		31/03/2017	
	No. of Shares	%	No. of Shares	%
Ambadi Investments Ltd.	74,758	30.64%	74,758	30.64%
TI Financial Holdings Ltd	33,790	13.85%	33,790	13.85%
Carborundum Universal Limited	24,240	9.93%	24,240	9.93%
EID Parry (India) Limited	23,600	9.67%	23,600	9.67%
Murugappa Educational and Medical Foundation	12,220	5.01%	12,220	5.01%

**2. Reconciliation of number of shares**

	31/03/2018		31/03/2017	
	No. of Shares	Rs	No. of Shares	Rs
Balance as at the beginning of the year	244,000	2,440,000	244,000	2,440,000
Issued and paid up during the year	-	-	-	-
Balance as at end of the year	244,000	2,440,000	244,000	2,440,000



**KARTIK INVESTMENTS TRUST LIMITED**

Notes Forming Part of the Financial Statements for the Year Ended March 31, 2018  
(All amounts are in Indian rupees unless otherwise stated)

Note - 7 Other equity	As at 31-Mar-2018	As at 31-Mar-2017	As at 1-Apr-2016
Retained earnings	94,34,516	94,41,901	91,04,235
Reserve for equity instruments through other comprehensive income	1,34,34,746	1,45,17,104	1,17,27,319
<b>Total other equity</b>	<b>2,28,69,262</b>	<b>2,39,59,005</b>	<b>2,08,31,554</b>

Note - 7.1 Retained Earnings	As at 31-Mar-2018	As at 31-Mar-2017	As at 1-Apr-2016
Balance as per Statement of Profit and Loss			
Opening balance	94,41,901	91,04,235	91,44,899
Add/ (less) Profit/ Loss for the year	-7,385	3,37,666	-40,664
<b>Closing balance</b>	<b>94,34,516</b>	<b>94,41,901</b>	<b>91,04,235</b>

Note - 7.2 Reserves and Surplus	As at 31-Mar-2018	As at 31-Mar-2017	As at 1-Apr-2016
Reserve for Equity through other Comprehensive income			
Opening balance	1,45,17,104	1,17,27,319	
Additions / Deletions	-10,82,358	27,89,785	1,17,27,319
	1,34,34,746	1,45,17,104	1,17,27,319

This reserve represents the cumulative gains and losses arising on the revaluation of equity instruments measured at fair value through other comprehensive income, net of amounts reclassified to retained earnings when those assets have been disposed of.

Note 8 - Deferred tax Liability (net)	As at 31-Mar-2018	As at 31-Mar-2017	As at 1-Apr-2016
Deferred tax Liability (net)	32,04,400	35,45,999	26,98,545
	32,04,400	35,45,999	26,98,545

Note 9. Trade Payables	As at 31-Mar-2018	As at 31-Mar-2017	As at 1-Apr-2016
Others	1,25,971	1,46,448	1,07,379
	1,25,971	1,46,448	1,07,379

Note 10- Other current liabilities	As at 31-Mar-2018	As at 31-Mar-2017	As at 1-Apr-2016
Statutory liabilities	9,774	1,020	11,660
Other Payable	1,30,740	1,08,865	66,040
	1,40,514	1,09,885	77,700



**KARTIK INVESTMENTS TRUST LIMITED**

**Notes Forming Part of the Financial Statements for the Year Ended March 31,2018**  
(All amounts are in Indian rupees unless otherwise stated)

Note 11. Revenue from Operations	As at 31-Mar-2018	As at 31-Mar-2017
Dividends from Investments	4,23,298	5,24,140
Profit on sale of Investments	1,958	-
	<u>4,25,256</u>	<u>5,24,140</u>
Note 12. Other Income	As at 31-Mar-2018	As at 31-Mar-2017
Interest income on Bank Deposits	3,28,637	3,83,882
	<u>3,28,637</u>	<u>3,83,882</u>
Note 13. Finance Costs	As at 31-Mar-2018	As at 31-Mar-2017
Bank Charges	1,548	6,973
	<u>1,548</u>	<u>6,973</u>
Note 14. Other Expense	As at 31-Mar-2018	As at 31-Mar-2017
Rates and Taxes	4,57,872	2,41,672
Professional & Consultancy Charges	1,00,311	95,757
Advertisement	62,250	88,981
Auditor's Remuneration (Note a)	1,05,492	92,690
Sitting Fees	23,450	28,725
Other Expenses	10,355	15,558
	<u>7,59,730</u>	<u>5,63,383</u>
(a) Auditor's Remuneration	As at 31-Mar-2018	As at 31-Mar-2017
Audit fee	63,720	62,100
Other services	24,072	24,840
Other Certification	17,700	5,750
	<u>1,05,492</u>	<u>92,690</u>
Note 15 Basic Earnings per share	As at 31-Mar-2018	As at 31-Mar-2017
a) Earnings used in the calculation of basic/diluted earnings per share	-7,385	3,37,666
b) Number of equity shares of Re. 10/= each outstanding at the beginning of the year	2,44,000	2,44,000
c) Add : Number of shares issued during the year	-	-
d) Number of equity shares of Re. 10/= each outstanding at the end of the year	2,44,000	2,44,000
e) Weighted Average number of Equity Shares considered for basic/diluted earning per share	2,44,000	2,44,000
f) Basic EPS	-0.03	1.38
g) Diluted BPS	-0.03	1.38

**KARTIK INVESTMENTS TRUST LIMITED**  
**NOTES FORMING PART OF ACCOUNTS**  
*(All amounts are in Indian rupees unless otherwise stated)*

16. Income taxes relating to continuous operations	March 31, 2018	March 31, 2017
<b>16.1 Income tax recognised in profit or loss</b>		
<b>Current tax</b>		
In respect of current year	-	-
In respect of prior years	-	-
Others	-	-
<b>Deferred tax</b>		
In respect of current year	-	-
Deferred tax reclassified from equity to profit or loss	-	-
<b>Total income tax expense /(gain) recognised in the current year relating to continuing operations</b>	-	-

The income tax expense for the year can be reconciled to the accounting profit as follows:

	March 31, 2018	March 31, 2017
<b>Profit / (Loss) before tax from continuing operations</b>	(7,385)	3,37,666
Income tax expense calculated at 25%	-	84,417
Effect of expense not allowable as deduction	-	-
Effect of income that is exempt from taxation	-	-84,417
Deferred tax not recognised	-	-
Effect on deferred tax balance due to use of rate different from that used for current tax	-	-
Adjustments recognised in current year relating to current tax of previous years	-	-
<b>Income tax expense recognised in profit or loss (relating to continuing operations)</b>	-	-

The tax rate used above is the corporate tax rate payable by corporate entities in India on taxable profits under the Indian tax law. The deferred tax effect on carried over losses has not been recognised

**16.2 Income tax recognised in Other comprehensive income**

	March 31, 2018	March 31, 2017
<b>Deferred Tax</b>		
Net fair value gain on investments in equity shares at FVTOCI	-3,41,599	8,47,453



## KARTIK INVESTMENTS TRUST LIMITED

Notes forming part of the financial statements

(All amounts are in Indian rupees unless otherwise stated)

### 17. Financial instruments

#### 17.1 Capital management

The Company's capital management is intended to maximise the return to shareholders for meeting the long-term and short-term goals of the Company through the optimization of the debt and equity balance.

The Company determines the amount of capital required on the basis of annual and long-term operating plans and strategic investment plans. The funding requirements are met through equity. The Company does not have any borrowing.

#### 17.2 Categories of financial instruments

	As at March 31, 2018	As at March 31, 2017
Financial assets		
Measured at fair value through profit or loss (FVTPL)		
(a) Mandatorily measured:		
(i) Equity investments		
Measured at amortised cost		
(a) Cash and bank balances	53,42,420	53,26,183
Measured at FVTOCI		
(a) Investments in equity instruments designated upon initial recognition	2,26,65,060	2,40,89,169
Measured at cost		
(a) Investments in equity instruments in subsidiaries, joint ventures and associate		
Financial liabilities		
Measured at amortised cost	2,66,485	2,56,333

#### 17.3 Financial risk management objectives

The Company has adequate internal processes to assess, monitor and manage financial risks. These risks include market risk (including currency risk, interest rate risk and other price risk), credit risk and liquidity risk.

The Company seeks to minimise the effects of these risks through appropriate risk management policies as detailed below. The Company does not enter into trade financial instruments, including derivative financial instruments, for speculative purposes.

Item	Primarily affected by	Risk management policies	Refer
Market risk - other price risk	Decline in value of equity instruments	Monitoring forecasts of cash flows; diversification of portfolio	Note 17.4
Credit risk	Counterparties to financial instruments to meet contractual obligations	Counterparty credit policies and limits; arrangements with financial institutions	Note 17.5
Liquidity risk	Fluctuations in cash flows	Preparing and monitoring forecasts of cashflows; cash management policies	Note 17.6

#### 17.4 Market risk

The Company's financial instruments are exposed to market rate changes. The Company is exposed to the following market risk:

- Price risk

Market risk exposures are measured using sensitivity analysis. There has been no change to the Company's exposure to market risks or the manner in which these risks are being managed and measured.

##### 17.4.1 Price risks

The Company is exposed to equity price risks arising from equity investments. The Company's equity investments are held for strategic rather than trading purposes.

**KARTIK INVESTMENTS TRUST LIMITED**

Notes forming part of the financial statements

*(All amounts are in Indian rupees unless otherwise stated)***17.5 Credit risk management**

Credit risk refers to the risk that a counterparty will default on its contractual obligations resulting in financial loss to the Company. The Company is exposed to credit risk from its financing activities, including deposits with banks.

The credit risk on cash and bank balances is limited because the counterparties are banks with high credit ratings assigned by international credit rating agencies.

**17.6 Liquidity risk management**

The Company manages liquidity risk by maintaining adequate reserves, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2018:

Particulars	Carrying amount	upto 1 year	1-3 year	More than 3 year
Trade Payable - Non interest bearing	1,25,971	1,25,971		
Other Current liabilities	1,40,514	1,40,514		
<b>Total</b>	<b>2,66,485</b>	<b>2,66,485</b>	-	-

The table below provides details of financial assets as at 31 March 2018:

Particulars	Carrying amount
Trade receivables	-
Other financial assets	-
<b>Total</b>	<b>-</b>

The table below provides details regarding the contractual maturities of financial liabilities including estimated interest payments as at 31 March 2017:

Particulars	Carrying amount	upto 1 year	1-3 year	More than 3 year
Other Current liabilities	1,09,885	1,09,885		
Trade Payable	1,46,448	1,46,448		
Other financial liabilities	-	-		
<b>Total</b>	<b>2,56,333</b>	<b>2,56,333</b>	-	-

The table below provides details of financial assets as at 31 March 2017:

Particulars	Carrying amount
Trade receivables	-
Other financial assets	-
<b>Total</b>	<b>-</b>

**17.7 Financing facilities**

The Company does not operate any financing facilities.



**KARTIK INVESTMENTS TRUST LIMITED**

Notes forming part of the financial statements  
(All amounts are in Indian rupees unless otherwise stated)

**17.8 Fair value measurements**

Some of the Company's financial assets and financial liabilities are measured at fair value at the end of the reporting period. The following table gives information about how the fair values of these financial assets and financial liabilities are determined (in particular, the valuation techniques and inputs used):

Financial assets/financial liabilities	Fair Value as at*		Fair value hierarchy	Valuation techniques & key inputs used
	As at 31 March 2018	As at 31 March 2017		
1) Investments in quoted equity instruments at FVTOCI	12,74,538	10,40,248	Level 1	Refer Note 1
2) Investments in unquoted equity instruments at FVTOCI	2,13,90,523	2,30,48,921	Level 2	Refer Note 2

\*positive value denotes financial asset (net) and negative value denotes financial liability (net)

**Notes:**

1. There were no transfers between Level 1 and 2 in the period.
2. The Level 1 financial instruments are measured using quotes in active market
3. The following table shows the valuation technique and key input used for Level 2:

Financial Instrument	Valuation Technique	Key Inputs used
(a) Investments in unquoted equity instruments at FVTOCI	Level 2	Available audited financial statements of respective companies

**Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)**

Particulars	Fair value hierarchy	As at March 31 2018		As at March 31 2017	
		Carrying amount	Fair value	Carrying amount	Fair value
<b>Financial assets</b>					
Financial assets at amortised cost:					
- Cash and Cash Equivalents	Level 2	53,42,420	53,42,420	53,26,183	53,26,183
<b>Financial liabilities</b>					
Financial liabilities at amortised cost:					
Trade payables	Level 2	1,25,971	1,25,971	1,46,448	1,46,448
Other financial liabilities	Level 2	1,40,514	1,40,514	1,09,885	1,09,885

1. In case of cash and cash equivalents, trade payables and other financial liabilities it is assessed that the fair values approximate their carrying amounts largely due to the short-term maturities of these instruments.

Notes forming part of the financial statements  
 (All amounts are in Indian rupees unless otherwise stated)

18. Related Party Disclosure for the year ended March 31, 2018

Related Party Disclosure	
Details of Related Parties	Relationship
Ambadi Investments Limited	Company having substantial interest
Transactions during the year	Nil
Balance Outstanding - Debit / Credit	Nil

19. Segment Reporting

The Company is primarily engaged in the business of dealing in Investments hence this is considered as the only business segment.

20. Events after the reporting period

No events occurred after the reporting period that affects the financial statements

21. Previous year's figures have been re-grouped wherever necessary.

*[Handwritten signature]*

P.SENTHAMARAI KANNAN  
 Chartered Accountant  
 Membership no. 018206



Place: Chennai  
 Date: 14th May 2018

For and on behalf of the Board of Directors

*[Handwritten signature]*

R SURENDHAN  
 CHAIRMAN

BALA RAVI  
 Chief Financial Officer

*[Handwritten signature]*

A KAVITHA  
 Director

*[Handwritten signature]*  
 SANGEETHA  
 Company Secretary