

CORPORATE INFORMATION

BOARD OF DIRECTORS:

• Mr. Rakesh K. Jain	Non – Executive Chairman
• Mr. Gauri Shanker Pandey	Whole Time Director
• Mr. Arun K. Jain	Independent Director
• Mr. Atul K. Jain	Independent Director
• Dr. Charanjeet Singh Bedi	Independent Director
• Mr. Baljit Singh Bedi	Independent Director
• Mrs. Sarabjeet Kaur	Non-Executive Director
• Ms. Richa Arora	Whole Time Director & Company Secretary

KEY MANAGERIAL PERSONNEL:

• Mr. Gauri Shanker Pandey	Whole Time Director
• Ms. Richa Arora	Company Secretary , Compliance officer and Whole Time Director
• CA. Mayank Agarwal	Chief Financial Officer

CIN: L65100DL1994PLC058837

REGISTERED OFFICE: M-6, IInd Floor, M Block Market, Greater Kailash-II, New Delhi- 110048

BRANCH OFFICE: B-22, Sector-4, Noida-201 301
Tel: +91-120-253 4066,
Fax: +91-120-2534111

WEBSITE: www.fslindia.com

AUDITORS: Walecha Inder & Associates
Chartered Accountants
6 - 8, Sanjay market, R - Block
Greater Kailash-I,
New Delhi – 110048

BANKERS: HDFC Bank, New Delhi

**REGISTRAR & SHARE
TRANSFER AGENTS:** Link Intime India Private Limited
44 Community Centre, 2nd Floor, Naraina
Industrial Area, Phase-I, Near PVR,
Naraina, New Delhi-110028

24th Annual General Meeting
09:45 a.m, Tuesday, September 25th, 2018
PHD House-Lakshmipat Singhania Auditorium,
4/2, Siri Institutional Area, August Kranti Marg, New Delhi-110016

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NOTICE OF AGM

Notice is hereby given that the 24th (Twenty Fourth) Annual General Meeting of **Frontline Securities Limited** for the Financial Year 2017-18 will be held on Tuesday, the 25th day of September, 2018 at 09:45 A.M. at PHD House-Lakshmipat Singhania Auditorium, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi-110016 to transact the following business:

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Financial Statements for the Financial Year ended 31st March, 2018 along with Director's Report and Auditor's Report thereon.
- 2) To declare dividend @ 5% on the equity shares for the financial year ended 31st March 2018.
- 3) To appoint a Director in place of Mrs. Sarabjeet Kaur (holding DIN- 00013395), who retires by rotation, and being eligible offers herself for re-appointment.
- 4) **Ratification of Statutory Auditor**

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **ORDINARY RESOLUTION**.

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder as amended from time to time, the Company hereby ratifies the appointment of M/s. Walecha Inder & Associates, Chartered Accountants, (Firm Registration No. 014205N), as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Twenty-Fifth Annual General Meeting to be held for the Financial Year 2018-2019 at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc. as may be mutually agreed between the Board of Directors and the Auditor.

SPECIAL BUSINESS:

- 5) **Sub-Division of equity shares from the Face Value of Rs. 10/- to Face Value of Rs. 5/- per share.**

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

“RESOLVED THAT pursuant to the provisions of Section 61 and other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), and in accordance with the provisions of Articles of Association of the Company and subject to other approval(s), consent(s), permission(s) and sanctions, if any, required from any authority, consent of the Members be and is hereby accorded to sub-divide each Equity Share of the Company having Face value of Rs.10/- (Rupees Ten only) fully paid-up into 2 (Two) Equity Shares having Face Value of Rs. 5/-(Rupees Five Only) each fully paid-up on such date as may be fixed by the Board of Directors of the Company for this purpose (herein referred as the **“Record date”**).)

RESOLVED FURTHER THAT pursuant to sub-division of the Equity Shares of the Company, the authorized, issued, subscribed and paid up Equity Share Capital of 1(one) Equity Share of the Face value Rs. 10/- (Rupees Ten only) each shall stand sub-divided into 2 (Two) Equity Shares of the Face value of Rs. 5/- (Rupee Five Only) each from the Record Date subject to the terms of Memorandum and Articles of Association and shall rank pari passu in all respects with and carry the same rights as the existing fully paid-up Equity Shares of Rs. 10/- (Rupees Ten only) each of the Company.

RESOLVED FURTHER THAT upon sub-division of Equity Shares of the Company as aforesaid, the existing share certificate(s) in relation to the existing Equity Shares of Face value of Rs. 10/- (Rupees Ten only) each held in physical form shall be deemed to have been automatically cancelled and be of no effect on and from the Record Date and that no letter of allotment shall be issued to the allottees of the new Equity Shares of Rs. 5/-(Rupee Five Only) each on sub-division and the Company may, without requiring the surrender of existing share certificate(s), directly issue and dispatch the new share certificate(s) of the Company, in lieu of such existing share certificate(s), within the period prescribed or that may be prescribed in this behalf, from time to time and in the case of shares held in dematerialized form, the number of sub-divided Equity Shares be credited to the respective beneficiary accounts of the shareholders with the Depository Participants, in lieu of the existing credits representing the Equity Shares before sub-division.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to fix a Record Date and to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all such acts, deeds, matters and things and to give, from time to time, such directions as may be necessary, proper and expedient or incidental for the purpose of giving effect to this resolution.

RESOLVED FURTHER THAT the Board be and is hereby authorized to delegate all or any of its powers to any Committee thereof as it may deem appropriate in this regard.”

6) Amendment to Clause V of the Memorandum of Association of the Company

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

“RESOLVED THAT pursuant to the provisions contained in Section 61 and other applicable provisions, if any, of the Companies Act, 2013 read with Rules made thereunder (including any statutory modification(s), amendment(s) or re-enactment(s) thereof), the existing Clause V of the Memorandum of Association of the Company be and is hereby amended and substituted thereof by the following clause:

“The Authorised Share Capital of the Company is Rs. 10,00,00,000/- (Rupees Ten Crore) divided into 2,00,00,000 (Two Crore) Equity Shares of Rs. 5/- (Rupees Five Only) each fully paid-up.”

RESOLVED FURTHER THAT the Board of Directors or a Committee thereof be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this resolution and/or otherwise considered by them in the best interest of the Company.”

7) Alteration of Objects Clause in the Memorandum of Association of the Company

To consider and, if thought fit, to pass with or without modification, the following resolution as a **Special Resolution:**

“RESOLVED that pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force and the Rules framed thereunder, as amended from time to time, and subject to the approval of the Registrar of Companies, Delhi (“ROC”) and/or of any other statutory or regulatory authority, as may be necessary, Clause III (Objects Clause) of the Memorandum of Association of the Company, be and is hereby altered by inserting the following sub-clauses under Part - A of Clause III, after the existing sub-clause 14:

15. *“To let on lease, sub lease, mortgage, grant licenses, easements, options, virtual renting, co-working and other rights over and in any other manner deal with, or dispose of, all or any part of the undertaking, property (ies) and asset(s) (present and future) of the Company for any consideration and in particular (without prejudice to the generality) for any security or for a share of profit or royalty or other periodic deferred payment”.*
16. *To enter into franchise agreement(s) or contracts with various institution(s) , bodies, Government Companies, corporate(s), individual(s) in India or abroad to run, operate, construct, maintain restaurant(s)/ café(s), hotel, education centre, day care etc or for carrying on all or any of the objects of the Company.*

“RESOLVED FURTHER THAT pursuant to the provisions of Section 13 and other applicable provisions, if any, of the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force and the Rules framed thereunder, as amended from time to time, and subject to the approval of the Registrar of Companies, Delhi (“ROC”) and/or of any other statutory or regulatory authority, as may be necessary, Clause III (Objects Clause) of the Memorandum of Association of the Company, be and is hereby altered by inserting the following sub-clauses under Part - B of Clause III, after the existing sub-clause 106:

107. To set up , purchase, take on lease, or otherwise acquire , establish, maintain, operate , run , manage, administer or let on lease hospitals, nursing homes ,clinics for in-door and out-door patients , rehabilitation centers , day care, healthcare centers and wellness centers.

108. To carry on, in India or elsewhere, either alone or jointly with one or more persons, companies, government, or other entities and bodies of any kind, the business of hotels of every kind and sort, including,

banquet facilities, conference facilities, meeting rooms, function halls, convention centers, shopping galleria, retail and service shops, offices, libraries, swimming pool, health club, spa, fitness centers, gym, beauty parlors, saloons, gaming center amusement and recreational facilities, parking, back offices, along with all the conveniences, amenities and facilities adjunct thereto and such other facilities as may be provided and to own, purchase, take over, acquire, erect, construct, build, set up, furnish, adapt, manage, franchise, run, use, maintain, operate or in any other manner and in all its aspects deal in, hotels/centers of every kind and sort.

“RESOLVED FURTHER that any Director of the Company, the Chief Financial Officer and the Company Secretary, be and are hereby severally authorized to file, sign, verify and execute all such e-forms, papers or documents, as may be required and do all such acts, deeds, matters and things as may be necessary and incidental for giving effect to this Resolution, including agreeing to any change to the aforesaid Clause 4 of the Memorandum of Association of the Company, as may be required by the ROC and/or any statutory/regulatory authority.”

8) **Re- Appointment of Mr. Gauri Shanker Pandey as the Whole time Director of the Company**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 read with Schedule V and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), approval of the members be and is hereby accorded to re- appoint Mr. Gauri Shanker Pandey (DIN: 00050614) as the Whole time Director of the Company, for a further period of 5 (five) years from the expiry of his present term of office, that is, with effect from 16th March, 2018 , on such terms and conditions including remuneration as set out in the explanatory statement annexed to the Notice.

RESOLVED FURTHER THAT the term of office of Mr. Gauri Shanker Pandey shall not be liable to retire by Rotation.

RESOLVED FURTHER THAT the Board of Directors or a Committee thereof be and is hereby authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable and expedient for giving effect to this resolution and/or otherwise considered by them in the best interest of the Company.”

9) **Increase in Remuneration payable to Ms. Richa Arora, Whole Time Director & Company Secretary of the Company.**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to the provisions of Section 197 read with Schedule V and other applicable provision of Companies Act, 2013 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 the approval of the Members of the Company be and is hereby accorded to increase the remuneration payable to Ms. Richa Arora, Whole Time Director & Company Secretary w.e.f April 1st, 2018 on the terms and conditions as set out in the explanatory statement attached to the Notice of this Annual General Meeting.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors be and are hereby severally and/or jointly authorised to do all such acts, deeds, matters and things as may be necessary, proper or desirable to give effect to the resolution”.

By Order of the Board of Directors
For Frontline Securities Limited

Place: Noida

Richa Arora

Date: 10.08.2018

Whole Time Director & Company Secretary

DIN: 07825684

NOTES:

1. The Explanatory statement pursuant to Section 102 of the Companies Act, 2013, in respect of item No. 4, 5,6,7,8 & 9 is annexed hereto and forms the part of the Notice.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF/HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than **FORTY- EIGHT HOURS** before the commencement of the meeting. Proxies submitted on behalf of limited companies, societies, etc., must be supported by appropriate resolutions/ authority, as applicable.

A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

A proxy Form is annexed hereto.

3. Corporate members intending to send their authorized representative to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
4. Members/ Proxies should bring the attendance slips duly filled in and signed for attending the meeting.
5. At the ensuing Annual General Meeting, Mrs. Sarabjeet Kaur (holding DIN- 00013395) retires by rotation and being eligible offers herself for re-appointment. The information or details to be provided in terms of Regulation 34(3) & Schedule V of the SEBI Listing Obligations and Disclosure Requirements) Regulation,2015 is provided in the explanatory statement annexed herewith. The Board of Directors of the Company commends the said re-appointment.
6. M/s Link Intime India Private Limited, 44 Community Centre, 2nd Floor, Naraina Industrial Area, Phase-I, Near PVR Naraina, New Delhi – 110028 is the Registrar and Share Transfer Agent for physical shares of the Company. Link Intime is also the depository interface of the Company with both NSDL and CDSL.
7. Members holding shares in physical form are requested to immediately notify change in their address, if any, to the Company at its Registered Office, quoting their Folio Number(s). Members holding shares in electronic form may update such details with their respective Depository Participant(s).
8. For effective communication, shareholders are requested to update their details related to their address and e-mail id. For shareholders holding shares in physical form, the same may be provided in **Shareholder Information Form** provided in the Annual Report. Shareholders holding shares in demat form are requested to update the same with their Depository Participant(s).
9. All material documents relating to the matters proposed in the Notice, Memorandum and Articles of Association of the Company etc are open for inspection to the members till the date of the Annual General Meeting from 11 a.m. to 1 p.m. on all working days at the registered office of the Company.
The Register of Directors and Key Managerial Personnel and their Shareholding maintained under section 170 of the Act, the Register of Contracts or Arrangements in which the directors are interested, maintained under section 189 of the Act will be available for inspection by the members at the AGM.
10. Every Member entitled to vote at the meeting, shall be entitled during the period beginning twenty four hours before the time fixed for commencement of the meeting and ending with the conclusion of the meeting to inspect the proxies lodged at any time during the business hours of the company, provided not less than three days' Notice in writing of such intention is given to the company.
11. The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, September 19th, 2018, to Tuesday, September 25th, 2018 (both days inclusive).

12. Final Dividend on equity shares @ 5% on the paid-up equity share capital i.e. Re 0.50 per equity share as recommended by the Board of Directors, if declared by the shareholders at the 24th Annual General Meeting, will be paid to those shareholders whose names appear on the Register of Members of the Company as on September 19th, 2018 after giving effect to all valid transfers in Physical Form lodged with the Company and RTA on or before 18th September, 2018 and in respect of the members whose shares are held in electronic form, to those Beneficial Owners as per the details furnished by the Depositories at the close of business hours on 18th September, 2018.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, accordingly, requested to submit their PAN to the Depository Participant with whom they maintain their demat accounts. Members holding shares in physical form should submit their PAN to the Company.
14. Pursuant to Section 123 and 124 of Companies Act, 2013, the Company has transferred on due dates, the unclaimed Final Dividend for the financial year ended on 31st March, 2010 to the Investor Education Protection Fund established by the Central Government. Further, shortly the Company will initiate the process of transfer of unclaimed dividend pertaining to the financial year 2010-2011 to the Investor Education Protection Fund in November, 2018.

Further, Pursuant to the Section 124 of the Companies Act, 2013, the Company is required to transfer the shares in respect of which no dividend has been claim for seven or more consecutive years to the Investor Education Protection Fund established by the central Government. It may be also noted all the corporate benefit accruing on these Shares like bonus, dividends, sub-division etc if any shall be credited to said fund. The Company will transfer said shares in the Month of November, 2018.

Members are therefore requested to en-cash their dividend warrants immediately for the year 2010-2011 and subsequent financial years. Members are requested to write to the Company and/ or Registrar and Share Transfer Agents, if any dividend warrant is due and pending to be paid so that fresh/revalidated warrants could be issued by the Company.

15. Payment of Dividend through ECS:

- a) The Securities & Exchange Board of India (SEBI) and the Ministry of Corporate Affairs have made it mandatory for all the Listed Companies to offer Electronic Clearing Services (ECS) facilities for payment of dividend, wherever applicable. In view of the above,
 - Shareholders holding shares in physical form are advised to submit particulars of their bank account in the ECS Mandate Form, annexed to this report latest by Tuesday, September 18th, 2018, to the Company Secretary at B-22, Sector-4, Noida, Uttar Pradesh-201301 or M/s Link Intime India Private Limited at 44 Community Centre, 2nd Floor, Naraina Industrial Area, Phase-I, Near PVR Naraina, New Delhi –110028.
 - Shareholders holding shares in demat form are advised to inform the particulars of their bank account to their respective depository participants.
16. To provide speedy redressal of investor grievances, the Company has designated E-mail ID's viz. investor@fsltechnologies.com / secretarial@fsltechnologies.com exclusively for registering complaints/grievances by investors.
17. Any queries relating to Accounts must be sent to the company at least 10 days before the date of the Annual General Meeting.
18. For the Convenience of the Members, Route Map to the venue of the AGM forms part of the Annual Report and is also available on the website of the Company.

19. Request to Shareholders:

- a) To support the 'Green Initiative' Members who have not registered their e-mail addresses are requested to register the same with Link Intime India Private Limited (RTA)/ Depositories / the Company.
- b) Shareholders are requested to note that copies of the Annual Report will not be distributed at the venue of

the meeting. Shareholders/ Proxy holders/Authorized Representatives are, therefore, requested to bring their copies of the Annual Report to the meeting. The Annual Report along with formats is being posted on the Company's website at www.fslindia.com.

- c) Electronic copy of the Annual Report of the 24th Annual General Meeting of the Company inter-alia indicating the process and manner of electronic voting (e- voting) along with the Attendance slip and route map is being sent to all members whose e- mail ids are registered with Company/DP/RTA for the communication purposes, unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copy of the Annual Report along with Notice, Attendance slip, Proxy form and Route map is being sent in permitted mode.
- d) Shareholders may also note that the Notice of the 24th AGM and the Annual Report for Financial Year 2017-18 will also be available on the Company's website i.e www.fslindia.com for download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office at M-6, IInd Floor, M- Block Market, Greater Kailash- II, New Delhi-110048 for inspection during normal business hours on working days. Even after registering for e-communication, shareholders are entitled to receive such communication in physical form, free of cost, upon making a specific request by post. The shareholders may also send their requests to the Company's Email-id's: investor@fsltechnologies.com/ secretarial@fsltechnologies.com.
- e) Shareholders may kindly note that no gift/gift coupon will be distributed at the meeting.

20. Voting for transaction of Business through Electronic Means:

- In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and Secretarial Standard on General Meeting (SS-2) issued by ICSI, the Company is providing the facility to Shareholder to cast their vote electronically, through the e- voting services provided by CDSL, on all the resolutions set forth in this notice.
- Members who have cast their vote by remote e-voting shall not be entitled to cast their vote again at the Annual General Meeting.
- The voting period begins at 9:00 a.m. on 22nd September, 2018 and ends at 5:00 p.m. on 24th September, 2018. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e 18th September, 2018, may cast their votes electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

The procedure and instructions to members for voting electronically are as under:

1. The shareholders should log on to the e-voting website "www.evotingindia.com".
2. Click on **Shareholders/ Members**
3. Now Enter your User ID
 - a. For **CDSL**: 16 digits beneficiary ID,
 - b. For **NSDL**: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
4. Next enter the Image Verification as displayed and Click on **Login**.
5. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
6. If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated/Registered their PAN with the Company/ Depository Participant are requested to use the sequences number indicated in the PAN Field, from the sticker pasted on the cover page of the Annual Report.
Dividend Bank details Or Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the Depository or company please enter the member id/ folio number in the Dividend Bank details field as mentioned in instruction 3.

7. After entering these details appropriately, click on “**SUBMIT**” tab.
8. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
9. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
10. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
11. On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/ NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
12. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
13. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
14. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
15. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
16. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
17. **Note for Non – Individual Shareholders and Custodians**
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favor of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
18. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can also download the application. Please follow the instructions as prompted by the mobile app while voting on your mobile.
19. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
20. The Scrutinizer shall immediately after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of atleast two witnesses not in the employment of the company and shall make , not later than 2 days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or person authorized by the Board who shall countersign the same.

By Order of the Board of Directors
For Frontline Securities Limited

RICHA ARORA

Whole Time Director & Company Secretary
DIN:07825684

Place: Noida

Date: 10.08.2018

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item no-4:

This explanatory statement is provided though strictly not required as per Section 102 of the Act.

Ratification of appointment of Auditor –M/s Walecha Inder & Associates, Chartered Accountants (FRN:014205N) was appointed as Statutory Auditors of the Company for the period of Five years commencing from 1st April, 2017 to hold the office from the conclusion of 23rd Annual general Meeting of the Company till the conclusion of 28th Annual General Meeting to be held in 2022.

As per the provisions of Section 139 of the Companies Act, 2013, their appointment for the above tenure is subject to ratification by members at every Annual General Meeting. Accordingly, approval of members for ratification of appointment is being sought as set out in Item No. 4 of the Notice.

No Directors / key managerial personnel of the Company or their respective relatives are deemed to be concerned or interested in the Resolution mentioned at Item No.4 of the Notice except to the extent of shares held by them, if any, in the Company.

The Board of Director recommends the Ordinary Resolution set forth in item No. 4 of the accompanying notice for the approval of the Members.

Item No. 5 & 6:

The Equity Shares of the Company are listed and being traded on the BSE Ltd. With a view to enhance the investor base of the company by encouraging the participation of the small investors and also to increase the liquidity of the equity shares of the Company, the Board of Directors at its meeting held on 28th May, 2018 has recommended to sub-divide the nominal value of the equity share of the Company from Rs. 10/- per share to Rs. 5/- per share, subject to approval of Member at the ensuing Annual General Meeting.

Accordingly, each fully paid up equity share of nominal value Rs. 10/- (Rupees Ten Only) of the Company, existing on the record date as may be fixed by the Board of Directors, shall stands sub divided into 2 (two) equity shares of Nominal Value of Rs. 5/- (Rupee Five only) each fully paid up.

The record date for the aforesaid sub division of the equity shares will be fixed after the approval of the shareholders is obtained, pursuant to this Annual General Meeting.

Consequent upon the sub-division of shares, the Authorised Share Capital of the Company of Rs. 10,00,00,000/- (Rupees Ten Crores only) would comprise of 2,00,00,000 (Two Crores) Equity Shares of Rs.5/- (Rupees Five only) each fully paid-up and the issued, subscribed and paid up capital of the Company is divided into 1,18,55,692 (One Crore Eighteen Lakhs Fifty Five Thousand Six Hundred and Ninety Two) equity shares of Rs. 5/- (Rupees Five only) each fully paid-up amounting to Rs. 5,92,78,460/- (Rupees Five Crore Ninety Two lakhs Seventy Eight Thousand Four Hundred and Sixty only).

The proposed sub division of equity shares of the Company from Rs. 10/-(Rupee Ten Only) per equity share to Rs. 5/- (Rupees Five Only) per equity share, requires consequential alteration of the Memorandum of Association of the Company. Accordingly, Clause V of the Memorandum of Association is proposed to be altered in the manner set out in Resolution at Item No. 6.

The Board recommends the item No. 5 (Ordinary Resolution) and Item No.6 (Ordinary Resolution) of the notice, for approval of the Members.

A copy of the Memorandum of Association of the Company along with the proposed amendments is available for inspection by the members at the registered Office of the Company on all working days during the office hours of the Company till the conclusion of the Annual General Meeting.

No Directors / key managerial personnel of the Company or their respective relatives are deemed to be concerned or interested in the Resolutions mentioned at Item No.5 and 6 of the Notice except to the extent of shares held by them, if any, in the Company.

Item no. 7:

The Company is presently engaged in the business of Investments. With a view to maximizing overall stakeholders' value, the management of the company has been exploring new avenues of business which will generate revenue, which may be conveniently and advantageously combined with existing business of the Company. In order to elaborate and clarify the existing business of the Company and to enable the Company to undertake these additional businesses as stated in the resolution, it is proposed to amend the Objects Clause of the Memorandum of Association of the Company.

In the view of this, the Board of Directors in its meeting held on 10th August, 2018, has decided to amend the Memorandum of Association of the Company and seeks shareholders approval.

The entire set of proposed new Memorandum of Association is available on the website of the Company i.e. www.fslindia.com. Members can also obtain a copy of the same from the Company's registered office or corporate office.

Members are requested to note that the amendment is subject to the intimation/approval given/granted by /to the Securities Exchange Board of India ("SEBI"), the Registrar of Companies, Delhi, Ministry of Corporate affairs and such other regulatory authorities, as may be required.

No Directors / key managerial personnel of the Company or their respective relatives are deemed to be concerned or interested in the Resolutions mentioned at Item No.7 of the Notice except to the extent of shares held by them, if any, in the Company.

The Board recommends the Special Resolution as set out in the item No. 7 of the accompanying notice, for approval of the Members.

Item no. 8:

The Board of Directors of the Company, ("the Board") has, subject to approval of members, reappointed Mr. Gauri Shanker Pandey (DIN: 00050614) as a Whole Time Director, for a further period of 5 (five) years. This re-appointment shall be effective from 16th March, 2018 on terms and conditions including remuneration as set out below:

Components	Amount Per Month (in Rs.)
Basic	40,000
HRA	15,000
Other Allowance	2,200
Conveyance Allowance	1,600
Gross Salary	58,800
Bonus (Payable Quarterly)	1,400
PF (Employee Contribution)	4,800
CTC (Cost to Company)	65,000

It is proposed to seek the members' approval for the re-appointment of and remuneration payable to Mr. Gauri Shanker Pandey (DIN: 00050614), in terms of the applicable provisions of the Act.

Mr. Gauri Shanker Pandey (DIN: 00050614) satisfies all the conditions set out in Part-I of Schedule V to the Act as also conditions set out under subsection (3) of Section 196 of the Act for being eligible for his reappointment. He is not disqualified from being appointed as a Director in terms of Section 164 of the Act.

The terms of remuneration, as stated above may be treated as an abstract of terms of remuneration under section 190 of the Companies Act, 2013.

No Directors / key managerial personnel of the Company or their respective relatives except Mr. Gauri Shanker Pandey are deemed to be concerned or interested in the resolution mentioned at Item No. 8 of the Notice except to the extent of shares held by them, if any, in the Company.

The Board of Director recommends the Ordinary Resolution set forth in item No.8 of the accompanying notice for the approval of the Members.

Item no. 9:

In the view of enhanced responsibility given, the Board proposed to increase the salary payable to Ms. Richa Arora, Whole Time Director and Company Secretary of the Company w.e.f 01.04.2018 as per the revised salary structure given below. The remuneration is subject to the approval of the Members of the Company in the ensuing Annual General Meeting.

The details of revised remuneration are:

Components	Amount Per Month (in Rs.)
Basic	12,500
HRA	12,500
Transport Allowance	1,600
Other Allowance	19,875
Gross Salary	46,475
Gratuity	625
Bonus (Payable Quarterly)	1400
PF (Employee Contribution)	1500
CTC (Cost to Company)	50,000
All other benefit and entitlement, if any as per the policy of the Company.	

The terms of remuneration, as stated above may be treated as an abstract of terms of remuneration under section 190 of the Companies Act, 2013.

No Directors / key managerial personnel of the Company or their respective relatives except Ms. Richa Arora are deemed to be concerned or interested in the Resolutions mentioned at Item No. 9 of the Notice except to the extent of shares held by them, if any, in the Company.

The Board of Directors recommends the ordinary resolution set forth in item No. 9 of the accompanying notice for the approval of Members.

DETAILS OF DIRECTORS SEEKING APPOINTMENT/REAPPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

[(Pursuant to Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)]

Name of the Director	Mrs. Sarabjeet Kaur	Mr. Gauri Shanker Pandey
Date of Birth	01/02/1976	13/07/1957
Age	42	60
Date of Appointment	01/07/2002	16/03/2013
Experience in Specific Functional Area	16 Years of experience in Company Secretary Profession as well as L.L.B	30 Years of Experience as Human Resource and Administration Head.
Remuneration sought and last drawn	As mentioned in the Corporate Governance Report	As mentioned in the Corporate Governance Report
Relationship with other Directors	NIL	NIL
Qualification	C.S, L.L.B	B.Com
Directorship in other Public Limited Companies/excluding Private Companies which are subsidiary of Public Company	0	2
Member/Chairman of Committee of the Board of the other Public Limited Companies on which she is Director	0	0

By Order of the Board of Directors
For Frontline Securities Limited

Place: Noida
Date: 10.08.2018

RICHA ARORA
Whole Time Director & Company Secretary
DIN:07825684

DIRECTOR'S REPORT

Dear Members,

The Directors of your Company take pleasure in presenting this Twenty Fourth Annual Report along with the Audited Financial Statements for the financial year ended March 31st, 2018.

FINANCIAL RESULTS

The financial performance of the Company, for the year ended March 31st, 2018 is summarized below:

(Rs In Lakhs)

Particulars	2017-18	2016-17
Gross Income	1296.07	560.00
Profit before Depreciation and Amortization Expenses, Finance Costs and Tax Expenses	1194.19	495.08
Finance Costs	(11.34)	(0.01)
Depreciation & Amortization expenses	(20.93)	(3.42)
Profit before Tax	1161.92	491.65
Current Tax	(231.02)	(88.92)
MAT Credit	65.09	46.85
Deferred Tax	0.41	0.39
Profit for the year	996.40	449.97
Add: Balance in Profit & Loss Account	2,163.69	1,845.96
Total	3160.09	2295.93
Less: Appropriation:		
Buy Back of Shares	542.94	-
Transferred to RBI Reserve	199.28	89.99
Proposed Dividend on equity shares	29.64	35.93
Proposed Dividend Tax	6.09	7.52
Contingency Provision against Standard Assets	0.15	(1.26)
Short Provision made in the previous year	-	0.06
Closing Balance	2381.99	2163.69

REVIEW OF OPERATIONS

During the year under review, the Company had achieved a Gross Income of Rs. 1,296.07 Lakhs as against Rs 560.00 Lakhs in the previous year. The profit before tax stands at Rs.1,161.92 Lakhs as against Rs.491.65 Lakhs in the previous year.

The improvement in the profitability of the Company had been due to improvement in Indian Stock Market. During the year under review, NIFTY grew from 9,220.60 as on 1st April, 2017 to 10,113.70 as on 31st March, 2018. Due to this, the investment gave better returns, during current year leading to capital gains of Rs. 860.65 lakhs against capital gains of Rs. 419.61 during the financial year 2016-17. Besides, the business of Mutual Fund distribution has grown substantially leading to commission income growth to Rs. 309.52 lakhs against Rs. 22.87 lakhs during the financial year 2016-17.

STATE OF COMPANY AFFAIRS

During the year under review, the Company operates in one geographical segment i.e. India & has identified two business segments i.e. Segment-I which is Consultancy, Commission & Brokerage and Segment-II Investments in Bonds, Fixed deposits & Loan & Advances.

FUTURE OUTLOOK

The various steps taken by the Government in the last 3 years have created a better business environment and barring unforeseen circumstances, we expect a better capital market in coming years which will improve Company's performances. Besides, the Company has started adding new customers to the business of Mutual Fund Distribution. However the price of crude oil is increasing in the current period. Besides, the US interest Rate is also increasing. Due to global strategic situations, increase in crude oil prices, US interest rates and their economy, Indian Stock market may remain volatile during the current year (i.e. 2018-19). Hence the income from investments may remain little subdued/uncertain. However the business of Mutual Fund Distribution is given more stress, we expect to do well in this regard during the current year.

MATERIAL EVENTS OCCURRING BETWEEN THE END OF FINANCIAL YEAR AND DATE OF REPORT

The Board of Directors has recommended the sub-division of equity shares of the Company in its Board Meeting held on 28th May, 2018 from Rs. 10/- (Rupee Ten Only) per equity share to Rs. 5/- (Rupees Five Only) per equity share, subject to approval of Members at ensuing Annual General Meeting.

RBI GUIDELINES

The Company has complied with the Regulations of the Reserve Bank of India as on 31st March, 2018, as are applicable to it as a Non-Banking Financial Company.

DEPOSITS

The Company has not accepted any public deposits during the year, within the meaning of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules 2014 and Section 2 (i) (xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions 1998.

There was no unclaimed deposit or overdue deposit with the Company as on 31.03.2018.

RESERVE FUND

As per section 451C of RBI Act 1934, the Company has transferred Rs. 199.28 Lakhs in RBI reserve fund i.e. aggregating of 20% of its net profit.

DIVIDEND

Considering profits during the current year, the Board has recommended a final dividend @ 5 % (i.e. Rs. 0.5 per Equity Share after Buy Back of the Company) for the financial year ended 31st March, 2018.

LISTING OF EQUITY SHARES

The equity shares of the Company are listed on the Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400001. The Listing Fees for the financial year under review has been paid by the Company.

SHARE CAPITAL

During the year under review, the Company has neither issued Shares with differential voting rights, nor granted stock option and Sweat Equity Shares.

BUY BACK OF SHARES

The Board of Directors at its meeting on 20th October, 2017 has approved a proposal for the company to Buyback upto 12,77,866 fully paid up equity shares of face value Rs. 10/- each from the eligible shareholders of the company for an amount not exceeding Rs.7,92,27,692/-. The Shareholders of the Company approved the proposal of Buyback of equity shares through postal ballot that concluded on 8th December, 2017. Since the Buy Back offer was undersubscribed, the Company has bought back and extinguished 12,58,843 Equity

shares in February 2017. The Buyback was offered to all shareholders as on record date 22nd December, 2017 on a proportionate basis through tender offer route in accordance with the provisions of the SEBI (Buy back of Securities) Regulations, 1998 and Companies Act, 2013. The Company has utilized a sum of Rs. 2,37,54,125/- from its Security Premium Account to the extent available and Rs. 5,42,94,141 /- from its Profit & Loss Account to pay Rs 7,80,48,266/- to its shareholder for the Buy Back of Shares.

DIRECTORS

The Board of the Company is structured in accordance with the requirements of Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. There is adequate number of Independent Directors on the Board of the Company.

The Details of Board Composition & its Meetings are given in the Corporate Governance Report.

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mrs. Sarabjeet Kaur, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible has offered herself for re-appointment.

Further, the Board has re-appointed Mr. Gauri Shanker Pandey, as a Whole time Director of the Company for the period of five years w.e.f 16th March, 2018 subject to approval of Members in the ensuing Annual General Meeting.

Brief resume and other details of the Directors being re-appointed as required under the Securities Exchange Board of India (Listing Obligations And Disclosures Requirement) Regulations, 2015 are provided in the Explanatory Statement annexed to the Notice.

During the year under review, Nine (9) Meetings were convened and held, details of which are provided in the Report on Corporate Governance.

KEY MANEGERIAL PERSONNEL

Presently, Mr. Mayank Agarwal, Chartered Accountant is the Chief Financial Officer of the Company. He was appointed as the Chief Financial Officer w.e.f 21.10.2017 due to the resignation of Ms. Swarna Gowri S. on 21.10.2017.

DECLARATION FROM INDEPENDENT DIRECTORS

The Company has received declaration from Dr. Charanjeet Singh Bedi, Mr. Baljit Singh Bedi, Mr. Arun K. Jain and Mr. Atul K. Jain, the Independent Directors of the Company confirming that they meet with the criteria of Independence as prescribed under the Companies Act, 2013 and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

POLICY ON APPOINTMENT & REMUNERATION

In respect of Nomination and Remuneration of Directors, the Company has adopted the following policies:

- a) Policy for selection of Directors and determining Director's independence: and
- b) Remuneration Policy for Directors, Key Managerial Personnel and other employees.

The above mentioned policies of the Company are attached herewith marked as Annexure I and Annexure II.

FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

The Company has put in place a familiarization program for the Independent Directors, their roles, rights, responsibilities in the Company and related matters. Quarterly updates on relevant statutory matters are also informed to Directors.

Details of familiarization program are available on the website of the Company at the link <http://fslindia.com/pdf/FAMILIARIZATION+PROGRAMMES.pdf>.

PERFORMANCE EVALUATION

Pursuant to the provisions of Companies Act, 2013 and Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out annual performance evaluation

of its own performance, its committees and all the Directors individually.

The evaluation of Non – Independent Directors, Chairman and the Board as a whole was done at a separate meeting by the Independent Directors.

DIRECTORS RESPONSIBILITY STATEMENT

Your Directors makes the following statement in terms of Section 134(3) of Companies Act, 2013:

- a. In the preparation of the annual accounts for the year ended March 31st, 2018, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b. The Directors have selected such accounting policies and applied them consistently, and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31st, 2018 and of the profit of the Company for the year ended on that date;
- c. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d. The Directors have prepared the annual accounts on a 'going concern' basis;
- e. The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f. The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

PARTICULARS OF LOANS GIVEN AND INVESTMENTS MADE

Being a NBFC (Non-Banking Financial Company), the Company is exempted under Section 186(11) of the Companies Act, 2013.

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

A) Conservation of Energy & Technology Absorption

Particulars under Companies (Accounts) Rules, 2014 on conservation of energy, Technology absorption are not applicable to your Company. Accordingly no disclosure has been made in this regard.

B) Foreign Exchange Earnings and Outgo

The company has neither earned nor spent any foreign exchange during the year under review.

RELATED PARTY TRANSACTIONS

All contracts / arrangements / transactions entered by the Company during the financial year under review with related party(s) were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at the link: <http://fslindia.com/pdf/RPT.pdf>

Particulars of contracts or arrangement with related parties during the year under review are provided in AOC-2 as Annexure III.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

In terms of Section 135 and Schedule VII of the Companies Act, 2013, the Company has a Corporate Social Responsibility (CSR) Committee which comprises total three members of which two Members including Chairman of the Committee are Independent Directors. Details of Committee & its meeting

are given in Report on Corporate Governance.

During the year under review, the Company was required to spend Rs. 9.73 lakhs (2% of Average net profits of last 3 financial years) on CSR Activities.

The Company shall utilize the available funds on long term projects such as Education, Old Age Homes, Orphanage etc. (as specified under Schedule VII of Companies Act, 2013 for CSR activities). The Company is under the process of finding the suitable options and finalization of the implementation plan for the same.

In view of the above the Company is preserving the funds so that as and when the adequate and appropriate option is available to the Company, it will utilize the funds for CSR activities. Hence, the Company has decided not to spend the amount on CSR during the year under review. However, the Company has been compliant with the provisions of Section 135 of the Companies Act, 2013 in the past.

The CSR Policy may be accessed on the Company's website at the link: <http://www.fslindia.com/pdf/csr%201.pdf>

The Annual report on CSR activities is annexed herewith as Annexure IV.

AUDITORS AND AUDITORS' REPORT

i) Statutory Auditors:

Pursuant to section 139 of the Companies Act, 2013, the Board of Directors of the Company has appointed M/s Walecha Inder & Associates, Chartered Accountants (FRN: 014205N) on 17.05.2017 as a Statutory Auditor for a term of Five Years to hold the office from the conclusion of the 23rd Annual General Meeting held in the Financial year 2016-17 till the conclusion of the 28th Annual General Meeting to be held for the Financial year 2021-22 subject to ratification at every Annual General Meeting.

Further they have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for the re-appointment.

The notes on financial statement referred to in the Auditor's report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation and adverse remark.

During the year under Review the Auditor had not reported any matter under Section 143 (12) of the Companies Act, 2013; therefore no detail is required to be disclosed under Section 134 (3) of the Companies Act, 2013.

ii) Secretarial Audit:

The Board has re-appointed M/s Jain Aarti & Associates, Practicing Company Secretary, to conduct Secretarial Audit for the financial year 2017-18. The Secretarial Audit Report for the financial year ended March 31, 2018 is annexed herewith marked as Annexure V to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company is annexed herewith in MGT-9 as Annexure VI to this Report.

It may also be accessed on the website of the Company at http://www.fslindia.com/pdf/MGT_9%20new-1-5.pdf

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operations were observed.

VIGIL MECHANISM & WHISTLE BLOWER POLICY

The Company believes in conducting its affairs in fair & transparent manner by adopting highest standards of professionalism, honesty, integrity & ethical behavior. The Company is committed to develop a culture

where it is safe for all employees to raise concern about any wrongful conduct. For this the Company has established a Vigil Mechanism for directors and employees to report genuine concerns.

As per the Company's policy, any personnel can approach the Audit Committee. However no such instance has been reported during the year under review.

The Vigil Mechanism Policy may be accessed on the website of the Company at http://www.fslindia.com/pdf/FSL_VIGIL%20MECHANISM%20AND%20whistle-blower-policy.pdf

SIGNIFICANT AND MATERIAL ORDERS

There are no orders passed by the any regulatory authorities or courts or tribunal which would impact the going concern status of the Company and its operation in future.

RISK MANAGEMENT

The Board of Directors has constituted a Risk Management Committee for

- a. evaluating the various risks impacting the Company; and
- b. overseeing that all the risks that the organization faces such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputation and other risks have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks.

The risk management policy of the Company may be accessed on website of the Company under the <http://www.fslindia.com/pdf/RISK%20MNGT.pdf> link.

AUDIT COMMITTEE

The Audit Committee comprises of four members of which all members including Chairman of the committee are Independent Directors. During the year six meetings were convened and held. Details of the same are provided in Report on Corporate Governance.

CORPORATE GOVERNANCE

The Company has taken adequate steps to ensure compliances with the provision of corporate governance as prescribed under SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015.

A separate section on Corporate Governance Practices followed by the Company together with Certificate from Company's Auditor & CFO confirming the compliance of Corporate Governance forms an integral part of this Annual Report as Per Regulation 34 & Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company is an equal opportunity employer and consciously strives to build a work culture that promotes dignity of all employees. As required under the provisions of sexual harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed there under, the Company has implemented a policy on prevention, prohibition and redressal of sexual harassment at workplace. All women, permanent, temporary or contractual including those of service provider are covered under this policy.

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. There were No Complaints received from any employee during the financial year 2017-18 and hence no complaint is outstanding as on 31.03.2018 for redressal.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis comprising an overview of the financial results, operations/performances and future aspects form part of this annual report.

PARTICULARS OF EMPLOYEE

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Non-Executive Directors	Ratio to median remuneration
No remuneration has been paid to Non-executive directors	

Executive Directors	Ratio to median remuneration
Gauri Shanker Pandey	1.82
Richa Arora	1.05

- b. The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the Financial Year:

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
Gauri Shanker Pandey (Whole Time Director)	NIL*
Richa Arora (Company Secretary)	36.36 %
**Swarna Gowri S. (Chief Financial Officer)	33.33%
***Mayank Agarwal (Chief Financial Officer)	NA

*There was no increase in salary. However, revision of salary was done.

**Resigned as Chief Financial Officer w.e.f 21.10.2017

*** Appointed as Chief Financial Officer w.e.f 21.10.2017

- c. The percentage increase in the median remuneration of employees in the financial year : 5.25%
- d. The number of permanent employees on the rolls of Company: 12 (as on 31st March, 2018).
- 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:

The percentage increase in the median remuneration of employees in the financial year is 5.25% whereas increase in the managerial remuneration for the year was 5.74%

- f. Top Ten Employees in terms of Remuneration drawn as on 31.03.2018:

Company's Business Model does not require large no. of people. Total No. of employees as on 31.03.2018 is 12 which includes Senior Level, Middle Level and lower level. Details of all senior level employees drawing salary are given below:

Particulars	Mr. G.S Pandey	Mr. Mayank Agarwal	Ms. Richa Arora
Designation	Whole Time Director	Chief Financial Officer (from 21.10.2017)	Whole Time Director & Company Secretary
Remuneration Received (Rs. In Lakhs)	7.22	1.82*	4.17
Nature of Employment	Permanent	Permanent	Permanent
Qualification	B.com	CA & B.com	CS & B.com(H)

Experience	30 years of Experience in Human Resource and administration	1 year of experience in the Field of Accounts , taxation & Audit.	2 years of Experience in the field of Company law, SEBI Regulation & other corporate law matter.
Date of Commencement of Employment	16.03.2013 (appointed as a Whole Time Director)	21.10.2017	26.02.2016
Age	60 years	25 years	25 years
Previous Employment & Designation	Dolsun Containers Private Limited , Manager	MJMJ & Associates LLP, Audit Manager	Tiwari& Mishra , Chartered Accountant as an Accounts Executive
No. of shares held in the Company	0	0	0

Note: #Appointed as Chief Financial Officer on 21.10.2017

1. None of the above mentioned employee is a relative of any director or manger of the Company.
2. The above mentioned employees constitute the KMP's of the Company, besides this, the other employees receives nominal salary depending upon their work profile.
- g. No employee who was employed throughout the Financial Year 17-18 was in receipt of remuneration, which in aggregate was of amount not less than Rupees One Crore and Two lakh.
- h. No employee who was employed for a part of the Financial Year 17-18 was in receipt of remuneration for any part thereof, which in aggregate was of amount not less than Rupees Eighty Lakhs and Fifty Thousand.
- i. No employee who was employed throughout the Financial Year 17-18 or part thereof was in receipt of remuneration which in aggregate or as the case may be, was at a rate which in aggregate was in excess of that drawn by the whole time director(s) and who held by himself or along with his spouse and dependent children, not less than 2 percent of the Equity shares of the Company.
- j. Affirmation that the remuneration is as per the remuneration policy of the Company: the Company hereby affirms that remuneration is paid as per the remuneration policy of the Company.

ACKNOWLEDGEMENT

Your Directors express their sincere thanks and gratitude to the Company's esteemed Shareholders, Clients, Associates, Financial Institutions, Bankers, the Securities and Exchange Board of India, Bombay Stock Exchange Limited, Reserve Bank of India and other Government Departments for their valuable contribution and whole hearted support.

We also acknowledge the sincere and dedicated efforts put in by the employees of the Company at all levels.

For On behalf of the Board of Directors
FRONTLINE SECURITIES LIMITED

Gauri Shanker Pandey

Whole Time Director

DIN: 00050614

Rakesh K. Jain

Chairman

DIN: 00050524

Place:Noida

Date: 28.05.2018

Policy for Selection of Director and determining Director's Independence

1. Introduction

- 1.1. Frontline Securities Limited (FSL) believes that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. Towards this, FSL ensures constitution of a Board of Directors with an appropriate composition, size, diversified expertise and experience and commitment to discharge their responsibilities and duties effectively.
- 1.2. FSL recognizes the importance of Independent Directors in achieving the effectiveness of the Board. FSL aims to have an optimum combination of Executive, Non-Executive and Independent Directors.

2. Scope and Exclusion:

- 2.1 This Policy sets out the guiding principles for the “Nomination and Remuneration Committee” for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as Independent Directors of the Company.

3. Terms and References:

In this Policy, the following terms shall have the following meanings:

- 3.1 “Director” means a director appointed to the Board of a company.
- 3.2 “Nomination and Remuneration Committee” means the committee constituted by FSL’s Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- 3.3 “Independent Director” means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

4. Policy:

4.1 Qualifications and criteria

- 4.1.1 The “Nomination and Remuneration (N&R) Committee”, and the Board, shall review on an annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a Board with diverse background and experience that are relevant for the Company’s global operations.
- 4.1.2 In evaluating the suitability of individual Board members, the N&R Committee may take into account factors, such as:
 - General understanding of the Company’s business dynamics, global business and social perspective;
 - Educational and professional background standing in the profession;
 - Personal and professional ethics, integrity and values/willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.
- 4.1.3 The proposed appointee shall also fulfill the following requirements:
 - Shall possess a Director Identification Number;
 - Shall not be disqualified under the Companies Act, 2013;
 - Shall give his written consent to act as a Director;
 - Shall endeavor to attend all Board Meetings and wherever he is appointed as a Committee Member, the Committee Meetings;

- Shall abide by the Code of Conduct established by the Company for Directors and Senior Management Personnel;
- Shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made; Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, SEBI (Listing and Obligation Requirements) Regulations, 2015 and other relevant laws.

4.2 Criteria of Independence

- 4.2.1 The N&R Committee shall assess the independence of Directors at the time of appointment / re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interests or relationships are disclosed by a Director.
- 4.2.2 The criteria of independence shall be as laid down in Companies Act, 2013 and Regulation 16(1) (b) of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

Remuneration Policy for Directors, Key Managerial Personnel and other employees**1. Introduction**

Frontline Securities Limited (FSL) recognizes the importance of aligning the business objectives with specific and measureable individual objectives and targets. The Company has therefore formulated the remuneration policy for its Directors, Key Managerial Personnel and other employees keeping in view the following objectives:

Ensuring that the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate, to run the company successfully.

Ensuring that relationship of remuneration to performance is clear and meets the performance benchmarks.

Ensuring that remuneration involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the company and its goals.

2. Scope and Exclusion:

This Policy sets out the guiding principles for the Nomination and Remuneration Committee for recommending to the Board the remuneration of the Directors, Key Managerial Personnel and other employees of the Company.

3. Terms and References:

In this Policy, the following terms shall have the following meanings:

3.1 “**Director**” means a director appointed to the Board of the Company.

3.2 “**Key Managerial Personnel**” means

- (i) the Chief Executive Officer or the Managing Director or the Manager;
- (ii) the company secretary;
- (iii) the whole-time director;
- (iv) the Chief Financial Officer; and
- (v) such other officer as may be prescribed under the Companies Act, 2013

3.3 “**Nomination and Remuneration Committee**” means the committee constituted by FSL’s Board in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

4. Policy:**4.1 Remuneration to Executive Directors and Key Managerial Personnel**

4.1.1 The Board, on the recommendation of the Nomination and Remuneration (N&R) Committee, shall review and approve the remuneration payable to the Executive Directors of the Company within the overall limits approved by the shareholders.

4.1.2 The Board, on the recommendation of the N&R Committee, shall also review and approve the remuneration payable to the Key Managerial Personnel of the Company.

4.2 Remuneration to Non-Executive Directors

4.2.1 The Board, on the recommendation of the N&R Committee, shall review and approve the remuneration payable to the Non-Executive Directors of the Company within the overall limits approved by the shareholders.

4.3 Remuneration to other employees

4.3.1 Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile, skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8 (2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso there to

1. Details of contracts or arrangements or transactions not at arm's length basis:
Frontline Securities Limited (FSL) has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2017-18.
2. Details of material contracts or arrangement or transactions at arm's length basis
 - (a) Name(s) of the related party and nature of relationship:
 - I. Aridhi Jain, relative of Director
 - II. Hope Consultants Limited, common Directors
 - III. Frontline Capital Services Limited, common Director
 - IV. FSL Software Technologies Limited, common Director
 - (b) Nature of contracts/arrangements/transactions:
 - I. Rent Agreement,
 - II. Rent Agreement,
 - III. Share Broking and Depository Services: and
 - IV. Rent Agreement, respectively
 - (c) Duration of the contracts/ arrangements/transactions
 - I. Contract dated April 04, 2012 as renewed on April 01, 2015 which was terminated on 14th August, 2017.
 - II. Contract dated April 01, 2013 as renewed on April 04, 2016 which is ongoing.
 - III. Agreement entered in 1995, which is ongoing.
 - IV. Contract entered on July 01st, 2017 for a period of three years which is still ongoing.
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any:
 - I. The Company has given residential premises on lease and rent basis on terms and conditions spelt out in the Rent Agreement. The Contract has been terminated w.e.f 14th August, 2017.
 - II. The Company has taken office premises on lease and rent basis on the terms and conditions spelt out in the Rent Agreement.
 - III. The Company has entered into Share Broking and Depository Services in the regular course of business.
 - IV. The Company has taken office premises on rent basis on the terms and conditions spelt out in the Rent Agreement.
 - (e) Date(s) of approval by the Board, if any: Not applicable, since the contract was entered into the ordinary course of business and on arm's length basis.
 - (f) Amount paid as advances, if any:

I. NIL	II. NIL	III. NIL	IV. NIL
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ANNUAL REPORT ON CSR ACTIVITIES**Pursuant to Section 135 of the Act & Rules made there under****1. A brief outline of the company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web link to the CSR policy and projects or programs:**

FSL's CSR policy is aimed at "capacity building" of the underserved and marginalized. It has a CSR vision to uphold human values with sustainable community development. Under capacity building, major emphasis will be given to programs that equip women & youth to be drivers of change and children as the future of a maturing economy.

The projects undertaken will be within the broad framework of Schedule VII of the Companies Act, 2013. The Company proposes to promote orphanage, education, financial literacy initiatives and setting up old age homes.

Details of CSR policy are available on the web link <http://fslindia.com/pdf/csr%201.pdf>

2. The Composition of the CSR Committee:

S.NO	NAME	CATEGORY	DESIGNATION
1	Mr. Atul K Jain	Independent Director	Chairman
2	Mr. Gauri Shanker Pandey	Whole -Time Director	Member
3	Mr. Arun K. Jain	Independent Director	Member

3. Average net profit of the company for last three financial years for the purpose of computation of CSR: Rs. 48,668,603.33**4. Prescribed CSR Expenditure (two percent of the amount shown as in item 3 above): Rs. 973,372.07****5. Details of CSR spent during the financial year:**

a. Total amount to be spent for the financial year: NIL

b. Amount unspent, if any: Rs. 973,372.07

c. Manner in which the amount spent during the financial year is detailed below:

(1) S. No	(2) CSR project or activity identified	(3) Sector in which the project is covered	(4) Projects or programs 1) Local area or other 2) Specify the state and district where projects or programs was undertaken	(5) Amount outlay (budget) project or programs wise (Rupees in Lakhs)	(6) Amount spent on the projects or programs Sub-heads: 1) Direct expenditure on projects or programs 2) Overheads: (Rupees in Lakh	(7) Cumulative expenditure upto the reporting period (Rupees in lakhs)	(8) Amount spent Direct or through imple- menting agency.
				NIL			

6. **In case the Company has failed to spend the two percent of the average net profits of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report.**

The Company shall utilize the available funds on long term projects such as Education, Old Age Homes, Orphanage etc. (as specified under Schedule VII of Companies Act, 2013 for CSR activities). The Company is under the process of finding the suitable options and finalization of the implementation plan for the same.

In view of the above the Company is preserving the funds so that as and when the adequate and appropriate option is available to the Company, it will utilize the funds for CSR activities. Hence, the Company has decided not to spend the amount on CSR during the year under review. However, the Company has been compliant with the provisions of Section 135 of the Companies Act, 2013 in the past.

7. **A responsibility statement of the CSR Committee that the implementing and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.**

We declare that implementing and monitoring of the CSR Policy are in compliance with CSR objectives and Policy of the Company.

On behalf of the Board of Directors
For **FRONTLINE SECURITIES LIMITED**

Atul K. Jain
(Chairman CSR Committee)
DIN: 00133750

Rakesh K. Jain
(Chairman)
DIN: 00050524

Jain Aarti & Associates

Company Secretaries

D-5, IInd Floor, R.K. Tower, Sector-4, Vaishali, Ghaziabad.
Ph. No. 9811894375, aarti.jain@jainaartiassociates.in.

Form No. MR-3

SECRETARIAL AUDIT REPORT

For The Financial Year Ended on 31st 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,
Frontline Securities Limited
M-6, IInd Floor, M-Block Market
Greater Kailash-II, New Delhi-110048.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by '**Frontline Securities Limited**' (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

I, Report That:

Based on my 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 company secretary, its officers agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion during the audit period covering the financial year ended on 31st March 2018 ('Audit Period') the Company has 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:

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

- I. The Companies Act, 2013 (the Act) and the Rules made there under;
- II. The Securities Contract (Regulation) Act, 1956 (SCRA) and the rules made thereunder;
- III. The Depositories Act, 1996 and the Regulations and Byelaws framed thereunder;
- IV. The Following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) to the extent applicable to the Company :
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;

- c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- d) The Securities and Exchange Board of India (Registrar to an Issue & Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with Client.
- e) The Securities and Exchange Board of India (Delisting of equity Shares) Regulations, 2009.
- f) The Securities and Exchange Board of India (ESOS and ESPS) Guidelines, 1999;
- g) The Securities and Exchange Board of India SEBI (Buyback of Securities) Regulations, 1998.
- h) The Memorandum and Articles of Association of the Company.

I have also examined compliance with the applicable clauses of the following:

- a) Secretarial Standards issued by The Institute of Company Secretaries of India.
- b) The Listing agreement entered by the Company with Bombay Stock Exchange (BSE).

During the period of audit review, the company has complied with all the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc. as mentioned above.

I, Report That:

During the period under review and as per the explanations and representations made by the management and subject to clarifications given to us, the Company has substantially complied with the provisions of the Act, Rules, Regulations, Guidelines, etc., that are applicable to the Company.;

I further report that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

I further report that the Company has, in our opinion, complied with the provisions of the Companies Act, 2013 and the Rules made under that Act and the Memorandum and Articles of Association of the Company, with regard to:

- a) Maintenance of various statutory registers and documents and making necessary entries therein;
- b) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
- c) Service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- d) Notice of Board Meetings and Committee Meetings of Directors;
- e) The meetings of Directors and Committees of Directors including passing of resolutions by circulation;
- f) The Annual General Meeting during the period was held on **9th August 2017**;
- g) Minutes of proceedings of General Meetings and of the Board and its Committee meetings;
- h) Approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
- i) Constitution of the Board of Directors / Committee(s) of Directors, appointment, retirement and reappointment of Directors including the Managing Director and Whole-time Directors;
- j) Payment of remuneration to Directors including Whole-time Directors,
- k) Appointment and remuneration of Auditors;
- l) Transfers and transmissions of the Company's shares;

- m) Borrowings and registration, modification and satisfaction of charges wherever applicable;
- n) Investment of the Company's funds including investments and loans to others;
- o) Form of Balance Sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedules to the Act;
- p) Directors' report;
- q) Contracts, common seal, registered office and publication of name of the Company; and
- r) Generally, all other applicable provisions of the Act and the Rules made under the Act.

I, further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- In accordance with law, 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.
- All the decisions are carried unanimously. The members of the Board have not expressed dissenting views on any of the agenda items.
- The Company has obtained all necessary approvals under the various provisions of the Act; and there was no prosecution initiated and no fines or penalties were imposed during the year under review under the Companies Act 2013, Depositories Act and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.
- The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Conduct for Independent Directors;
- I further report that Company has complied with the provisions of the Depositories Act, 1996 and the Byelaws framed thereunder by the Depositories with regard to dematerialization / rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.

Based on the compliance mechanism established by the Company, I am of the opinion that the management has:-

- Adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- I further report that Company has properly complied with the provisions of Buy- Back of Securities under Companies Act, 2013 and SEBI (Buy Back of Securities) Regulations, 1998 with respect to 12,58,843 shares bought back during the year.

I, further report that: that during the audit period, there were no instances of:-

- a) Foreign technical collaboration during the financial year;
- b) Merger / Amalgamation / Reconstruction etc.;
- c) Public/Right/Preferential issue of shares/debentures/sweat equity shares etc.;
- d) Major decision taken by the members in pursuance to the section 180 of the Companies Act, 2013.

I further report that:

- a) Maintenance of secretarial records is the responsibility of the management of the Company. Our

responsibility is to express an opinion on these secretarial records based on our audit.

- b) I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, we followed provide a reasonable basis for our opinion.
- c) I have not verified the correctness and appropriateness of the financial statements of the Company.
- d) The compliance of the provisions of the corporate and other applicable laws, rules, regulation, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
- e) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Vaishali
Date: 21/05/2018

For Jain Aarti & Associates
(Company Secretaries)

CS Chhaya Walia
Membership No. A42947
COP No.19868

Annexure VI

FORM NO. MGT 9**EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2018

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.

I.	REGISTRATION & OTHER DETAILS:				
1	CIN	L65100DL1994PLC058837			
2	Registration Date	5/5/1994			
3	Name of the Company	FRONTLINE SECURITIES LIMITED			
4	Category/Sub-category of the Company	COMPANY LIMITED BY SHARES NON-GOVERNMENT COMPANY			
5	(i) Address of the Registered office & contact details	M-6, IIND FLOOR, M BLOCK MARKET, GREATER KAILASH-II, NEW DEL HI-110048, PH: 011-29216309, 29212610,			
	(ii) Address for correspondence	B-22, SECTOR -4, NOIDA -201301, UTTAR PRADESH , PHN : 0120-2534066			
6	Whether listed company	YES (Listed on BSE)			
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	LINK INTIME INDIA PVT. LTD , 44, COMMUNITY CENTRE 2ND, FLOOR, NARAINA INDUSTRIAL AREA, PHASE -1, NEAR PVR NARAIANA , NEW DELHI-110028, PH: +91-1141410592, FAX: +91-41410591			
II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY					
(All the business activities contributing 10 % or more of the total turnover of the company shall be stated)					
S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company		
1	TO BUY, SELL, ACQUIRE, AND HOLD SHARES, STOCKS, DEBENTURES AND BONDS	6599	72.70%		
III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary	% of sharesheld / Associate	Applicable Section
1	NIL	NIL	NIL	NIL	NIL

"During the year, the company has brought back 12,58,843 Equity Shares, subsequently the paid up share capital of the Company as on 31.03.2018 stands reduced from Rs.7,18,66,890 /- to Rs. 5,92,78,460/- divided into 59,27,846 Equity Shares of Rs.10/- each."

IV. SHARE HOLDING PATTERN

(Equity share capital breakup as percentage of total equity)

(i) Category-wise Share Holding

Category of Shareholders	“No. of Shares held at the beginning of the year[As on 31-March-2017]”				“No. of Shares held at the end of the year [As on 31-March-2018]”				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	4,759,414	-	4,759,414	66.23%	3,884,414	-	3,884,414	65.53%	-0.70%
b) Central Govt	-	-	-	-	-	-	-	-	0.00%
c) State Govt(s)	-	-	-	-	-	-	-	-	0.00%
d) Bodies Corp.	410,043	-	410,043	5.71%	410,043	-	4,10,043	6.92%	1.21%
e) Banks / FI	-	-	-	-	-	-	-	-	0.00%
f) Any other	-	-	-	-	-	-	-	-	0.00%
Sub Total (A) (1)	5,169,457	-	5,169,457	71.93%	4,294,457	-	4,294,457	72.45%	4.41%
(2) Foreign									
a) NRI Individuals	32,820	-	32,820	0.46%	32,820	-	32,820	0.55%	0.10%
b) Other Individuals	-	-	-	-	-	-	-	-	0.00%
c) Bodies Corp.	-	-	-	-	-	-	-	-	0.00%
d) Any other	-	-	-	-	-	-	-	-	0.00%
Sub Total (A) (2)	32,820	-	32,820	0.46%	32,820	-	32,820	0.55%	0.12%
TOTAL (A)	5,202,277	-	5,202,277	72.39%	4,327,277	-	4,327,277	73.00%	-0.61%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
b) Banks / FI	-	-	-	0.00%	-	-	-	0.00%	0.00%
c) Central Govt	-	-	-	0.00%	-	-	-	0.00%	0.00%
d) State Govt(s)	-	-	-	0.00%	-	-	-	0.00%	0.00%
e) Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
f) Insurance Companies	-	-	-	0.00%	-	-	-	0.00%	0.00%
g) FIs	-	-	-	0.00%	-	-	-	0.00%	0.00%
h) Foreign Venture Capital Funds	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Others (specify)	-	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(1):-	-	-	-	0.00%	-	-	-	0.00%	0.00%
2. Non-Institutions									
a) Bodies Corp.	-	-	-	-	-	-	-	0.00%	0.00%
i) Indian	-	-	-	-	-	-	-	0.00%	0.00%
ii) Overseas	-	-	-	-	-	-	-	0.00%	0.00%
b) Individuals	-	-	-	0.00%	-	-	-	0.00%	0.00%
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	212,423	308,752	521,175	7.25%	298,295	185,323	483,618	8.16%	0.91%
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	770,957	-	770,957	10.73%	838,211	-	838,211	14.14%	3.41%
c) Others (specify)									
Non Resident Indians	307,528	-	307,528	4.28%	181,984	-	181,984	3.07%	-1.21%
Non Resident Indians(Non Repat)	100	-	100	0.00%	1,001	-	1,001	0.02%	0.02%
HUF	1,302	-	1,302	0.02%	5,153	-	5,153	0.09%	0.07%
Clearing Members	5,351	-	5,351	0.07%	7,528	-	7,528	0.13%	0.05%
Bodies Corporate	357,299	20,700	377,999	5.25%	70,774	12,300	83,074	1.40%	-3.86%
Foreign Bodies - D R	0	-	-	0.00%	-	-	-	0.00%	0.00%
Sub-total (B)(2):-	1,654,960	329,452	1,984,412	27.61%	1,402,946	197,623	1,600,569	27.00%	-0.61%
Total Public (B)	1,654,960	329,452	1,984,412	27.61%	1,402,946	197,623	1,600,569	27.00%	-0.61%
C. Shares held by Custodian for GDRs & ADRs	0	-	-	0.00%	-	-	-	0.00%	0.00%
Grand Total (A+B+C)	6,857,237	329,452	7,186,689	100.00%	5,730,223	197,623	5,927,846	100.00%	-17.52%

“During the year, the company has brought back 12,58,843 Equity Shares, subsequently the paid up share capital of the Company as on 31.03.2018 stands reduced from Rs.7,18,66,890/- to Rs. 5,92,78,460/- divided into 59,27,846 Equity Shares of Rs.10/- each.”

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year (as on 01st April, 2017)			Shareholding at the end of the year (as on 31st March, 2018)			% change in share holding during the year
		No. of shares	% of total Shares of the	% of shares Pledged encumbered to total share company	No. of Shares	% of total Shares of the company	% of shares Pledged/ encumbered to total shares	
1	Rakesh K. Jain	2,995,910	41.69%	0	2,495,910	42.10%	0	0.41%
2	Prerna Jain	1,763,504	24.54%	0	1,388,504	23.42%	0	-1.12%
3	Hope Consultants Limited	410,043	5.71%	0	410,043	6.92%	0	1.22%
4	Vidha Jain	24,510	0.34%	0	24,510	0.41%	0	0.07%
5	Aridhi Jain	8,310	0.12%	0	8,310	0.14%	0	0.02%
6	Total	5,202,277	72.39%	0	4,327,277	73.00%	0	0.61%

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

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares	No. of shares	% of total shares
1	Rakesh K. Jain						
	At the beginning of the year	01/04/2017		2,995,910	41.69%	2,995,910	41.69%
	Changes during the year	21/04/2017	Transfer	150,000		3145910	43.77%
		09/02/2018	Transfer	(650,000)		2,495,910	42.10%
	At the end of the year	31/03/2018				2,495,910	42.10%
2	Prerna Jain						
	At the beginning of the year	01/04/2017		1,763,504	24.54%	1,763,504	24.54%
	Changes during the year	21/04/2017		25,000		1,788,504	24.88%
		09/02/2018		(400,000)		1,388,504	23.42%
	At the end of the year	31/03/2018				1388504	23.42%
3	Hope Consultants Limited						
	At the beginning of the year	01/04/2017		410,043	5.70%	410,043	5.70%
	Changes during the year						
	At the end of the year	31/03/2018				410,043	6.92%
4	Aridhi Jain						
	At the beginning of the year	01/04/2017		8,310	0.12%	8,310	0.12%
	Changes during the year						
	At the end of the year	31/03/2018				8,310	0.14%
5	Vidha Jain						
	At the beginning of the year	04/01/2017		24,510	0.34%	24,510	0.34%
	Changes during the year						
	At the end of the year	31/03/2018				24,510	0.41%

(iv) Shareholding Pattern of top ten Shareholders

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year (as on 1st April, 2017)		Cumulative Shareholding during the year (as on 31st March, 2018)	
				No. of Shares	% of total shares	No. of shares	% of total shares
1	Ajai Chowdhry						
	At the beginning of the year	04/01/2017		-	0.00%	-	0.00%
	Changes during the year	04/08/2017	Transfer	248,600		248,600	3.46%
	At the end of the year	31/03/2018				248,600	4.19%
2	Anita Mohan						
	At the beginning of the year	01/04/2017		204,184	2.84%	204,184	2.84%
	Changes during the year	10/11/2017	Transfer	-21,000		183,184	2.55%
		02/02/2018	Transfer	-2,500	(2500)	180,684	2.51%
	At the end of the year	31/03/2018				180,684	3.05%
3	Manish Jain						
	At the beginning of the year	01/04/2017		337,754	4.70%	337,754	4.70%
	Changes during the year	04/08/2017	Transfer	(170,000)		167,754	2.33%
	At the end of the year	31/03/2018				167,754	2.83%

"During the year, the company has brought back 12,58,843 Equity Shares, subsequently the paid up share capital of the Company as on 31.03.2018 stands reduced from Rs.7,18,66,890/- to Rs. 5,92,78,460/- divided into 59,27,846 Equity Shares of Rs.10/- each."

4	Gita Chowdhry						
	At the beginning of the year	01/04/2017		-	0.00%	-	0.00%
	Changes during the year	04/08/2017	Transfer	165,700		165,700	2.31%
	At the end of the year	31/03/2018		165,700		165,700	2.80%
5	Investor Education And Protection Fund Authority						
	At the beginning of the year	01/04/2017		-	0.00%	-	0.00%
	Changes during the year	08/12/2017	Transfer	116,002		116,002	1.61%
		15/12/2017	Transfer	2		116,004	1.61%
	At the end of the year	31/03/2018				116,004	1.96%
6	Leena Agarwal						
	At the beginning of the year	01/04/2017		14,490	0.20%	14,490	0.20%
	Changes during the year	04/04/2017	Transfer	25,000		39,490	0.55%
	At the end of the year	31/03/2018				39,490	0.66%
7	Sharad Jain						
	At the beginning of the year	01/04/2017		77,935	1.08%	77,935	1.08%
	Changes during the year	28/07/2017	Transfer	(45,000)		32,935	0.46%
	At the end of the year	31/03/2018				32,935	0.56%
8	Pravin Agarwal						
	At the beginning of the year	01/04/2017		172,584	2.40%	172,584	2.40%
	Changes during the year	04/08/2017	Transfer	(140,000)		32,584	0.45%
	At the end of the year	31/03/2018				32,584	0.55%
9	Renu Agrawala						
	At the beginning of the year	01/04/2017		-	0.00%	-	0.00%
	Changes during the year	17/11/2017	Transfer	20,000	0.27%	20,000	0.28%
	At the end of the year	31/03/2018		20,000	0.34%	20,000	0.34%
10	Sunglow Capital Services Limited						
	At the beginning of the year	01/04/2017		31,447	0.44%	31,447	0.44%
	Changes during the year	07/04/2017	Transfer	1,772		33,219	0.46%
		14/04/2017	Transfer	1,048		34,267	0.48%
		21/04/2017	Transfer	(28,939)		5,328	0.07%
		28/04/2017	Transfer	7,124		12,452	0.17%
		05/05/2017	Transfer	4,091		16,543	0.23%
		12/05/2017	Transfer	18,248		34,791	0.48%
		26/05/2017	Transfer	800		35,591	0.50%
		02/06/2017	Transfer	565		36,156	0.50%
		09/06/2017	Transfer	1,829		37,985	0.53%
		16/06/2017	Transfer	2,725		40,710	0.57%
		23/06/2017	Transfer	1,300		42,010	0.58%
		28/07/2017	Transfer	(1,099)		40,911	0.57%
		04/08/2017	Transfer	(13,000)		27,911	0.39%
		25/08/2017	Transfer	(200)		27,711	0.39%
		01/09/2017	Transfer	(700)		27,011	0.38%
		08/09/2017	Transfer	(130)		26,881	0.37%
		15/09/2017	Transfer	(650)		26,231	0.36%
		22/09/2017	Transfer	496		26,727	0.37%
		29/09/2017	Transfer	242		26,969	0.38%
		06/10/2017	Transfer	300		27,269	0.38%
		13/10/2017	Transfer	2,346		29,615	0.41%
		20/10/2017	Transfer	(1,653)		27,962	0.39%
		27/10/2017	Transfer	(1,396)		26,566	0.37%
		03/11/2017	Transfer	100		26,666	0.37%
		10/11/2017	Transfer	59		26,725	0.37%
		17/11/2017	Transfer	508		27,233	0.38%
		27/11/2017	Transfer	590		27,823	0.38%
		01/12/2017	Transfer	150		27,973	0.39%
		08/12/2017	Transfer	(8,490)		19,483	0.27%
		15/12/2017	Transfer	(1,500)		17,983	0.25%
		05/01/2018	Transfer	(1,000)		16,983	0.24%
		12/01/2018	Transfer	(1,020)		15,963	0.22%
		19/01/2018	Transfer	(2,470)		13,493	0.19%
		09/02/2018	Transfer	5,000		18,493	0.31%
		09/03/2018	Transfer	528		19,021	0.32%
		16/03/2018	Transfer	256		19,277	0.33%
	At the end of the year	31/03/2018				19,277	0.33%

"During the year, the company has brought back 12,58,843 Equity Shares, subsequently the paid up share capital of the Company as on 31.03.2018 stands reduced from Rs.7,18,66,890 /- to Rs. 5,92,78,460/- divided into 59,27,846 Equity Shares of Rs.10/- each."

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of Shares	% of total shares	No. of shares	% of total shares
1	Rakesh K. Jain						
	At the beginning of the year	01/04/2017		2,995,910	41.69%	2,995,910	41.69%
	Changes during the year	21/04/2017	Transfer	150,000	3,145,910	3,145,910	43.77%
		09/02/2018	Transfer	(650,000)		2,495,910	42.10%
	At the end of the year	31/03/2018				2,495,910	42.10%
2	Sarabjeet Kaur						
	At the beginning of the year	01/04/2017		-	0.00%	-	0.00%
	Changes during the year			-		-	0.00%
	At the end of the year	31/03/2018		-		-	0.00%
3	Baljit Singh Bedi						
	At the beginning of the year	04/01/2017		600	0.01%	600	0.01%
	Changes during the year			-		-	0.00%
	At the end of the year	31/03/2018		600		600	0.01%
4	Gauri Shanker Pandey						
	At the beginning of the year	01/04/2017		-	0.00%	-	0.00%
	Changes during the year			-		-	0.00%
	At the end of the year	31/03/2018		-		-	0.00%
5	Charanjeet Singh Bedi						
	At the beginning of the year	01/04/2017		-	0.00%	-	0.00%
	Changes during the year			-		-	0.00%
	At the end of the year	31/03/2018		-		-	0.00%
6	Atul K. Jain						
	At the beginning of the year	01/04/2017		10	0.00%	10	0.00%
	Changes during the year			-		-	0.00%
	At the end of the year	31/03/2018		10		10	0.00%
7	Arun K. Jain						
	At the beginning of the year	01/04/2017		210	0.00%	210	0.00%
	Changes during the year			-		-	0.00%
	At the end of the year	31/03/2018		210		210	0.00%
8	Richa Arora						
	At the beginning of the year	01/04/2017		-	0.00%	-	0.00%
	Changes during the year			-		-	0.00%
	At the end of the year	31/03/2018		-		-	0.00%
9	Swarna Gowri S.#						
	At the beginning of the year	01/04/2017		-	0.00%	-	0.00%
	Changes during the year			-		-	0.00%
	At the end of the year	31/03/2018		-		-	0.00%
10	Mayank Agarwal #						
	At the beginning of the year	01/04/2017		-	0.00%	-	0.00%
	Changes during the year			-		-	0.00%
	At the end of the year	31/03/2018		-		-	0.00%

Mr. Mayank Agarwal was appointed as the Chief Financial Officer w.e.f 21.10.2017 due to the resignation of Ms. Swarna Gowri S. on 21.10.2017.

V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (Rs/Lac)
		Gauri Shanker Pandey	*Richa Arora	
	Designation	Whole Time Directors	Whole-time Director	
1	Gross salary	7.22	4.17	11.39
	(a) Salary as per provisions contained in section 17 (1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify (Conveyance Reimbursement)	-	-	-
	Total (A)	7.22	4.17	11.39
	Ceiling as per the Act			

"During the year, the company has brought back 12,58,843 Equity Shares, subsequently the paid up share capital of the Company as on 31.03.2018 stands reduced from Rs.7,18,66,890/- to Rs. 5,92,78,460/- divided into 59,27,846 Equity Shares of Rs.10/- each."

*Ms.Richa Arora was appointed as Whole-time Director of the Company w.e.f 29.05.2017

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount (Rs/Lac)
1	Independent Directors	NIL	NIL	NIL	-
	Fee for attending board committee meetings	NIL	NIL	NIL	-
	Commission	NIL	NIL	NIL	-
	Others, please specify	NIL	NIL	NIL	-
	Total (1)	NIL	NIL	NIL	-
2	Other Non-Executive Directors	NIL	NIL	NIL	-
	Fee for attending board committee meetings	NIL	NIL	NIL	-
	Commission	NIL	NIL	NIL	-
	Others, please specify	NIL	NIL	NIL	-
	Total (2)	NIL	NIL	NIL	-
	Total (B)=(1+2)	NIL	NIL	NIL	-
	Total Managerial Remuneration	NIL	NIL	NIL	-
	Overall Ceiling as per the Act	NIL	NIL	NIL	-

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount (Rs/Lac)
		Mayank Agarwal		
	Designation	CFO (Chief Financial Officer)	CS (Company Secretary)	
1	Gross salary	5.01		5.01
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-	-
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total	5.01	-	5.01

VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Deals)
A. COMPANY					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment					
Compounding					
B. DIRECTORS					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty	NIL	NIL	NIL	NIL	NIL
Punishment					
Compounding					

"During the year, the company has brought back 12,58,843 Equity Shares, subsequently the paid up share capital of the Company as on 31.03.2018 stands reduced from Rs.7,18,66,890 /- to Rs. 5,92,78,460/- divided into 59,27,846 Equity Shares of Rs.10/- each."

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. Industry Structure and Development:

During the year under review the Stock Market in India improved by 9.68%. Nifty Improved from 9,220.06 as on 1st April, 2017 to 10,113.70 as on 31st March, 2018. Barring unforeseen circumstances, the Company expects to see improved Stock market during 2018-19 also. However the price of crude oil is increasing in the current period. Besides, the US interest Rate is also increasing. Due to global strategic situations, increase in crude oil prices, US interest rates and their economy, Indian Stock market may remain volatile during the current year (i.e. 2018-19). Hence the income from investments may remain little subdued/uncertain. However the business of Mutual Fund Distribution is given more stress, we expect to do well in this regard during the current year. Considering above, barring unforeseen circumstances, the company should be able to maintain its performances in the coming years.

2. Opportunities and threats

The growth of the Company is subject to opportunities and threats as are applicable to the industry from time to time.

3. Segment wise performance & outlook

During the year under review, the Company operates in one geographical segment i.e. India & has identified two business segments i.e. Segment-I which is Consultancy, Commission & Brokerage & Segment-II Investments in Bonds, Fixed deposits & Loan & Advances. The company earned profit before tax of Rs.251.15 lakhs and incurred a loss of Rs. 18.30 lakh from Segment-I and Segment-II respectively.

4. Outlook

In the near future, the Company intends to continue to focus on its current business of investment and management consultation.

5. Risk and Concerns

While risk is an inherent aspect of any business, the Company is conscious of the need to have an effective monitoring mechanism and has put in place appropriate measures for its mitigation including business portfolio risk, financial risk, legal risk and internal process risks.

6. Internal Control Systems and their adequacy

The Company's internal control systems are commensurate with the nature of its business and the size and complexity of its operations. These systems are designed to ensure that all assets of the Company are safeguarded and protected against any loss and that all transactions are properly authorized, recorded and reported.

7. Financial Performance

(Rupees in Lakhs)

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Sales / income from operations	351.09	80.64
Other Income	944.97	479.36
Expenses	134.14	68.35
Profit Before Tax	1161.92	491.65
Less: Tax Expense		
- Current Tax	231.02	88.92
- Mat Credit Entitlement	(65.09)	(46.85)
- Deferred Income Tax	(0.41)	(0.39)
Profit After Tax	996.40	449.97
Proposed Dividend	29.64	35.93

The details of financial performance of the Company are appearing in the Balance Sheet and Statement of Profit and Loss for the year.

8. Human Resources

The Company seeks respects and values the diverse qualities and background that its people bring to it and is committed to utilizing the richness of knowledge, ideas, experience that this diversity provides. The Company has built a resource base and cross-functional managers to take care of multi dimensional businesses.

9. Disclosure of Accounting Treatment

The Financial Statement has been prepared in Accordance with the Principles laid down in Accounting Standards.

10. Cautionary Statement

Statement in this Management Discussion and Analysis Report describing the company's objective, projects, estimates and expectations may be "forward looking statements" within the meaning of applicable laws and regulations. Actual results may differ materially from those either expressed or implied. Important factors that could make difference to the Company's operations within including change in government regulations, tax regimes, and economic development within and outside India.

By Order of the Board of Directors

For **FRONTLINE SECURITIES LIMITED**

Place: Noida

Date: 28.05.2018

RICHA ARORA

Whole Time Director & Company Secretary

DIN:07825684

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on Code of Corporate Governance

FSL's governance philosophy is based on entrustment, transparency and accountability. Corporate Governance is the set of standards which aims to improve the Company's image, efficiency and effectiveness. It is the road map which guides the Board of Directors of the Company to govern the affairs of the Company in a manner most beneficial to all the shareholders, the creditors, the Government and the Society.

The Board of Directors believes that Corporate Governance is the most powerful tool for achieving Corporate excellence and it also presents a Compliance Report on the Corporate Governance pursuant to listing Regulations and the Company endeavors to adopt the best practices.

2. Board Composition and Particulars of Directors

The Board of Directors of the Company have an optimum combination of Executive, Non-Executive and Independent Directors who have an in- depth knowledge of business, in addition to the expertise in their areas of specialization. At present, the Board of the Company comprises of Eight Directors including two Women Directors and four Independent Directors. None of the Directors on the Board is a member of more than 10 Committees and Chairperson of more than five committees across all the companies in which he/she is a director.

The composition of the Board and category of Directors are as follows:

Category	Name of Directors
Non-Executive & Promoter Director (Chairman)	Mr. Rakesh K. Jain
Non-Executive Independent Director	Mr. Arun K. Jain Dr. Charanjeet Singh Bedi Mr. Baljit Singh Bedi Mr. Atul K. Jain
Non-Executive Non Independent Woman Director	Mrs. Sarabjeet Kaur
Whole Time Director (Executive Director)*	Mr. Gauri Shanker Pandey
Whole Time Director (Executive Director)	Ms. Richa Arora

*The Board has re-appointed Mr. Gauri Shanker Pandey, as a Whole Time Director of the Company, for the period of five years w.e.f 16th March, 2018 subject to the approval of members in the ensuing Annual General Meeting.

All the Independent Directors of the Company furnish a declaration annually that they qualify the conditions of their being independent.

The Company has put in place a familiarization program for the Independent Directors, their roles, rights, responsibilities in the Company and related matters. Quarterly updates on relevant statutory matters are also informed to Directors. Details of familiarization program are available on the website of the Company at the link <http://fslindia.com/pdf/FAMILIARIZATION+PROGRAMMES.pdf>

Disclosure of Relationships between Directors Inter-Se

No Director is related to any other Director on the Board in terms of the definition of “relative” given under the Companies Act, 2013.

The shareholding of non-executive directors as on March 31st, 2018 is as follows:

Name	No. of shares held
Rakesh K. Jain	24,95,910
Atul K. Jain	10
Arun K. Jain	210
Dr. C.S. Bedi	Nil
Baljit Singh Bedi	600
Sarabjeet Kaur	Nil
Total	24,96,730

Director Retiring by Rotation

Details of Director retiring by rotation are as follows:

Mrs. Sarabjeet Kaur, a Company Secretary and a Law Graduate has been on the Board of the Company since 2002. Besides being a Director, Mrs. Sarabjeet Kaur is a member of the Stakeholder relationship Committee of the Company. With her expertise in corporate laws she has contributed extensively to the growth of the Company.

Mrs. Sarabjeet Kaur does not have any Inter-se Relationship with the other Directors on the Board of the Company and at present she is not holding any shares in the Company.

Board Meetings and Board Committee Meetings

The Board of Directors is the apex body constituted by the shareholders for overseeing the overall functioning of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long- term interests of the shareholders are being served. The Board meets at regular intervals. The details of Board Meetings held during the year under review are as follows:

Number of Board Meetings and dates on which held

During the year under review, Nine (9) Board Meetings were held. The details of the Board Meeting are as under:

S. No.	Date of Board Meeting	Board Strength	No. of Directors present
1.	8th April, 2017	7	6
2.	17th May, 2017	7	6
3.	29th May, 2017	7	6
4.	24th June, 2017	8	8
5.	14th August, 2017	8	7
6.	20th October , 2017	8	7
7.	10th November, 2017	8	6
8.	15th January, 2018	8	8
9.	23rd March, 2018	8	8

Attendance of Each Director at the Board Meetings, last Annual General Meeting (AGM) and number of other Directorships and Memberships of Committee(s) of each Director in various companies are as follows:

Particulars of attendance at Board Meetings and last Annual General meeting

S. No	Name of Director	Attendance at Meetings during 2017-2018		No. of other Directorship and Committee Member/ Chairmanship	
		Board Meetings	Last AGM	Other Directorships #	No. of Membership(s) / Chairmanship of Board Committee in other Companies
1	Mr. Rakesh K. Jain	8	Yes	6	NIL
2	Mr. Atul K. Jain	9	Yes	0	NIL
3	Mr. Arun K. Jain	9	Yes	1	NIL
4	Dr. Charanjeet Singh Bedi	6	Yes	2	NIL
5	Mrs. Sarabjeet Kaur	9	Yes	0	NIL
6	Mr. Baljit Singh Bedi	9	Yes	1	NIL
7	Mr. Gauri Shanker Pandey	6	Yes	2	NIL
8	Ms. Richa Arora	6*	Yes	0	NIL

*Ms. Richa Arora was appointed as a Whole Time Director w.e.f 29.05.2017.

The Directorship held by Directors as mentioned above does not include the directorship in Foreign Companies and in Frontline Securities Limited.

Details of other Committee Position of Director/CFO in Company

Name of the Committee	Atul K. Jain	Arun K. Jain	Dr. Charan-jeet Singh Bedi	Baljit Singh Bedi	Sarabjeet Kaur	Gauri Shanker Pandey	Mayank Agarwal
Audit Committee	Chairman	Member	Member	Member	-	-	-
Stakeholders Relationship Committee	Chairman	Member	-	-	Member	-	-
Nomination and Remuneration Committee	-	Chairman	Member	Member	-	-	-
Corporate Social Responsibility Committee	Chairman	Member	-	-	-	Member	-
Risk Management Committee	Member	Member	-	-	-	Chairman	Member

3. Independent Directors

The Company has complied with the definition of Independence as per Regulation 16 of SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 and according to the provisions of section 149(6) Companies Act, 2013. The Company has also obtained declarations from all the Independent Directors pursuant to section 149(7) of the Companies Act, 2013.

Separate Meeting of the Independent Directors:

The Independent Directors held a meeting on January 15th, 2018, without the attendance of Non-Independent Directors and members of Management therein to review the performance of Non-Independent Directors and the Board as a whole. All the Independent Directors were present at the meeting.

4. Audit Committee

1. Composition

Presently, the Audit Committee comprises of 4 (four) members viz. Mr. Atul Kumar Jain, Mr. Arun kumar Jain, Mr. Baljit Singh Bedi and Dr. Charanjeet Singh Bedi. The Audit Committee is being chaired by Mr. Atul K. Jain. All the members of the Audit Committee are the Non-Executive and Independent Director, majority of the members of Audit Committee have accounting and financial management expertise.

The Company Secretary act as a Secretary of the Audit Committee.

2. Terms of Reference

The powers and terms of reference of the Audit Committee are as mentioned in Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and section 177 of the Companies Act, 2013 which inter alia, include overseeing financial reporting processes, reviewing with the management the financial statements, accounting policies and practices, adequacy of internal audit functions and discussion with internal auditors on any significant findings, financial and risk management policies.

3. Meetings and attendance during the year

The Audit Committee met Six (6) times during the Financial Year 2017-2018. The details of attendance at these meetings are as follows:

Name	Position	Attendance at the Meeting held on					
		8th April, 2017	17th May, 2017	29th May, 2017	14th Aug, 2017	10th Nov, 2017	15th Jan, 2018
Mr. Atul K. Jain	Chairman	Yes	Yes	Yes	Yes	Yes	Yes
Mr. Arun K. Jain	Member	Yes	Yes	Yes	Yes	Yes	Yes
Dr. Charanjeet Singh Bedi	Member	Yes	No	No	Yes	No	Yes
Mr. Baljit Singh Bedi	Member	Yes	Yes	Yes	Yes	Yes	Yes

The Minutes of the Audit Committee Meetings are noted at the Board meetings.

The Chief Financial Officer and Auditors are invitees to the Audit Committee Meeting.

5. Stakeholder Relationship Committee

1. Terms of Reference

The powers and terms of reference of the Stakeholder Relationship Committee are as mentioned in Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 and section 178 of the Companies Act, 2013 which inter alia, include the monitoring and expeditious redressal of investors / stakeholders grievances and ensures that all issues / concerns of stakeholders are addressed / resolved promptly. The Stakeholder Relationship Committee has been constituted to attend & resolve the requests of dematerialization of shares, rematerialisation of shares, share transfer and to redress investor's grievance/complaints and regular correspondence such as non-receipt of Annual Report, non-receipt of Dividend and entertains such other related matters.

2. Composition of the Committee

The Committee consists of 2 Non-Executive Independent Directors and 1 Non-Executive Non- Independent Director. The Stakeholder Relationship Committee is being chaired by Mr. Atul K. Jain.

3. Meetings and attendance during the year

During the Financial Year ended March 31st, 2018, Twenty (20) meetings of the Stakeholder Relationship Committee were held. The composition of the Committee and details of meetings held and attendance recorded of the members are as follows:

Name of Member	Position	No. of Meetings held	Attendance
Atul K. Jain	Chairman	20	20
Arun K. Jain	Member	20	20
Sarabjeet Kaur	Member	20	20

The meetings were presided over by Mr. Atul K. Jain, a Non-Executive Director.

4. Name and Designation of Compliance Officer

Richa Arora, Company Secretary is the Compliance Officer for complying with the requirements of Securities Laws and Regulation 6 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015.

During the year under review the company has received 32 complaints/correspondence from investors/ members and no investor complaints/correspondence is pending as on March 31st, 2018.

As on March 31st, 2018, there is no pending request for share transfer, dematerialization or rematerialization of shares.

6. Nomination and Remuneration Committee

1. Terms of Reference

The powers and terms of reference of the Nomination and Remuneration Committee are as mentioned in Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and section 178 of the Companies Act, 2013.

The Nomination and Remuneration committee recommends to the board the set up and composition of the board and its committees including the formulation of the criteria for determining qualifications, positive attributes and independence of a director.

The committee periodically reviews the composition of the board with the objective of achieving an optimum balance of size, skills, independence, knowledge, age, gender and experience and also recommends to the board the appointment or reappointment of directors.

2. Composition

The Nomination and Remuneration Committee of the Company consists of three Non-Executive Independent Directors.

3. Meetings and attendance during the year

During the year the Committee had two (2) meetings i.e on 8th April, 2017 and 20th October, 2017.

4. Composition, name of Members and attendance during the year

Name of Member	Position	No. of Meetings held	Attendance
Arun K. Jain	Chairman	2	2
Dr. Charanjeet Singh. Bedi	Member	2	2
Baljit Singh Bedi	Member	2	2

5. Performance Evaluation of Non-Executive and Independent Directors

The Board evaluates the performance of Non-executive and Independent Directors every year. All the Non-executive and Independent Directors are eminent personalities having wide experience in the field of business, industry and administration. Their presence on the Board is advantageous and fruitful in taking business decisions.

6. Remuneration of Directors.

(a) Pecuniary relationship or transaction of the non-executive directors

Company has no pecuniary relationship with Non-Executive Directors

(b) Criteria of making payment to Non-Executive Directors

At present no remuneration is being paid to the Non- Executive Directors.

(c) Disclosure with respect to remuneration made to executive director viz. Gauri Shanker Pandey & Ms. Richa Arora (Whole Time Directors of the Company) : in addition to disclosures required under the Companies Act, 2013

S.no	Particulars	Monthly Remuneration Amount (in Rs.)	
		Mr. Gauri Shanker Pandey	Ms. Richa Arora
1	Basic	40,000	12,500
2	HRA	15,000	12,500
3	Conveyance	1,600	1,600
4	Other Allowances	2,200	7,375
	Gross Salary	58,800	33,975
5	Gratuity	-	625
6	Bonus (Quarterly Payable)	1,400	1,400
7	PF (Employee Contribution)	4,800	1,500
	CTC(Cost to Company)	65,000	37500

For any termination of contract, the Company or the Whole Time Director is required to give a notice of one month for every year of service or a part thereof exceeding three months subject to a maximum of two month's notice or payment of equivalent gross monthly salary in lieu thereof on either side.

The Company does not have any stock option scheme.

7. Corporate Social Responsibility Committee (CSR)

i) Terms of reference:

The CSR Committee formulates and recommends to the board, a Corporate Social Responsibility (CSR) Policy, recommends the amount of expenditure to be incurred towards social responsibility and also oversees activities impacting the quality of life of various stakeholders.

ii) Composition:

The CSR Committee of the Company consists of two Non-Executive Independent Directors and one Whole Time Director.

iii) No. of Meetings held during the year:

During the year the Committee had one meeting held on 23rd March, 2018.

iv) Composition, name of Members and attendance during the year

Name of Member	Position	No. of Meetings held	Attendance
Atul K. Jain	Chairman	1	1
Arun K. Jain	Member	1	1
Gauri Shanker Pandey	Member	1	1

8. Risk Management committee

i) Terms of reference:

The Board of the Company has formed a Risk Management Committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness.

ii) Composition:

The Risk Management Committee of the Company consists of two Non- Executive Independent Directors and one Whole Time Director and one Chief Financial Officer.

iii) No. of Meetings held during the year:

During the year the Committee had one meeting on 7th February, 2018.

iv) Composition, name of Members and attendance during the year

Name of Member	Position	No. of Meetings held	Attendance
Gauri Shanker Pandey	Chairman	1	1
Arun K. Jain	Member	1	1
Atul K. Jain	Member	1	1
Mr. Mayank Agarwal	Member	1	1

9. Details of General Body Meetings

1. The location and time for last three Annual General Meetings is as follows:

Year	Location	Date	Time	Whether any special resolution passed therein
2014-15	PHD House-Lakshmipat Singhanian Auditorium, 4/2, Siri Institutional Area, August KrantiMarg, New Delhi-110016	September 22, 2015	09.45 A.M	No
2015-16	PHD House-Lakshmipat Singhanian Auditorium, 4/2, Siri Institutional Area, August KrantiMarg, New Delhi-110016	September 20, 2016	09:45 A.M	No
2016-17	PHD House-Lakshmipat Singhanian Auditorium, 4/2, Siri Institutional Area, August KrantiMarg, New Delhi-110016	August 9, 2017	09:45 A.M	Yes

2. Postal Ballot

During the financial year 2017-18, the Company has obtained members approval through Postal Ballot on 8th December, 2017 for the following resolutions as stated in the table below along with the snap shot of the voting results are as follows :

a) Agenda 1 : Approval for Buyback of Equity Shares

(i) Voted in favour of Resolution:

Number of Members Voted	Mode of Voting	Number of Votes cast by them	% of total number of valid Votes cast
17	E- Voting	64,20,547	98.60341
5	Postal Ballot	90,939	1.39659
	Total	65,11,486	100.00%

(ii) Voted against the Resolution :

Number of Members Voted	Mode of Voting	Number of Votes cast by them	% of total number of valid Votes cast
17	E- Voting	-	-
5	Postal Ballot	-	-
	Total	-	-

b) Agenda 2: Rearrangement and Realignment of the Object Clause of the Memorandum of Association of the Company**(i) Voted in favour of Resolution:**

Number of Members Voted	Mode of Voting	Number of Votes cast by them	% of total number of valid Votes cast
17	E- Voting	64,20,546	98.60340
5	Postal Ballot	90,939	1.39659
	Total	65,11,485	99.99999

(ii) Voted against the Resolution :

Number of Members Voted	Mode of Voting	Number of Votes cast by them	% of total number of valid Votes cast
17	E- Voting	1	0.00001
5	Postal Ballot	-	-
	Total	1	0.00001

3. Mr. Mohit Khemka (M.No 410605) , of M/s VMG & Company Practicing Chartered Accountant (FRN: 024257N) was appointed as scrutinizer for carrying out the voting process in a fair and transparent manner.
4. No special resolution is proposed to be passed through postal ballot. However, Company will consider as and when required.

5. Procedure for Postal Ballot:

- i. In Compliance with the Section 110 and other applicable provisions of the Act read with the related Rules, the Company provided e- voting facility to all its members. The Company has engaged the services of CDSL for providing the e-voting facility to the members.
- ii. The members has the option to vote electronically or through Postal Ballot forms.
- iii. Members whose names appear on the Register of Members / List of Beneficial Owners as on the Cut- off date, will be considered for the purpose of voting.
- iv. The Company also published the notice in the newspaper declaring the details of completion of dispatch and other requirements as mandated in the Act and other applicable Rules.
- v. The Company has dispatched the Postal Ballot notices along with Postal Ballot forms through electronic mode to those members, whose e-mail addresses are registered with the Company/ Depository, unless any member has requested for a physical copy of the same. For members who have not registered their e-mail addresses, physical copies are being sent by permitted mode.
- vi. The Postal Ballot Form and a postage prepaid self-addressed business reply envelope are were attached to the Notice . The self-addressed envelope contained the address to which duly completed Postal Ballot Form should be sent.
- vii. The voting rights for the Equity Shares of the Company are one vote per equity share, registered in the name of the member. The voting rights of the members shall be in proportion to the percentage of paid-up share capital of the Company held by them, which will be determined on the basis of the paid-up value of shares registered in the name of each member as on the cut off date.
- viii. The Scrutinizer carried out the scrutiny of the Postal Ballot Forms together with results of the E- Voting and submitted his report on Postal Ballot and E- Voting to the Chairman of the Company.

10. Disclosures

1. The particulars of transactions between the Company and its related parties as per the Accounting Standard 18 “Related Party Disclosures” issued by the Institute of Chartered Accountants of India (ICAI) are disclosed in Note No. 2.22 of Notes to the Financial Statements. However, these transactions are not likely to have any conflict with the Company’s interest.
2. No Strictures/Penalties have been imposed on the Company by the Stock Exchange or the Securities and Exchange Board of India (SEBI) or any statutory authority on any matters related to capital markets during the last three years.
3. The Company does not have any materially significant related party transactions that may have potential conflict with the interests of listed entity.
4. The policy on dealing with the related party transactions is available on the Website of the Company on <http://www.fslindia.com/pdf/RPT.pdf>.
5. In the preparation of the financial statements, the Company has followed the Accounting Standards issued by ICAI. The significant accounting policies, which are consistently applied, have been set out in the Notes to the Financial Statements.
6. The company has established a Vigil Mechanism for all directors & employees to report concerns about unethical behavior, actual or suspected fraud or violation of the company’s code of conduct. And as per the Company’s Policy any Personnel can approach Audit Committee. However no such instance has been reported during the year under review.
7. The Company has complied with all the mandatory requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

11. Means of Communication of Financial Results

- The quarterly un-audited financial results are announced within the time frame stipulated under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The aforesaid financial results are taken on record by the Board of Directors and are communicated to the Bombay Stock Exchange (BSE) where the company’s securities are listed.
- Once the Stock Exchange has been intimated, these results are published in newspapers, usually, English Newspaper: Financial Express and Hindi Newspaper: Jansatta. The results and official news releases of the Company are also made available on the Company’s website i.e. www.fslindia.com.

12. SEBI Complaints Redressal System(SCORES):

SEBI has initiated SCORES for processing the investor complaints in a centralized web based redress system and online redresses of all the shareholders complaints. The company is in compliance with the SCORES and redressed the shareholders complaints well within the stipulated time.

13. General Member Information**i) The Details of Annual General Meeting to be held:**

Date September 25th , 2018

Day Tuesday

Time 9: 45 A.M.

Venue PHD House-Lakshmi Pat Singhania Auditorium, 4/2, Siri Institutional Area,
August Kranti Marg, New Delhi-110016

ii) Financial Calendar

Results for the quarter ended 30 th June, 2018	Will be announced on/ before 14 th August, 2018
Results for the quarter ended 30 th September, 2018	Will be announced on/ before 14 th November, 2018.
Results for the quarter ended 31 st December, 2018	Will be announced on/ before 14 th February, 2019.
Results for the year ended 31 st March, 2019	Will be announced on/ before 30 th May, 2019.

- iii) Book Closure Dates:** September 19th, 2018 (Wednesday)
to
September 25th, 2018 (Tuesday)

- iv) Dividend Payment date:** Credit/dispatch of dividend warrants between September 25th, 2018 and October 15th, 2018.

Shareholders who have opted for ECS, dividend will be credited directly to their respective bank accounts through ECS. For others, dividend warrants will be dispatched as per the dividend payment date mentioned above.

- v) Listing on Stock Exchange :** The Equity shares of the Company are listed with Bombay Stock Exchange Ltd.(the Listing Fees has been paid for FY 17-18)

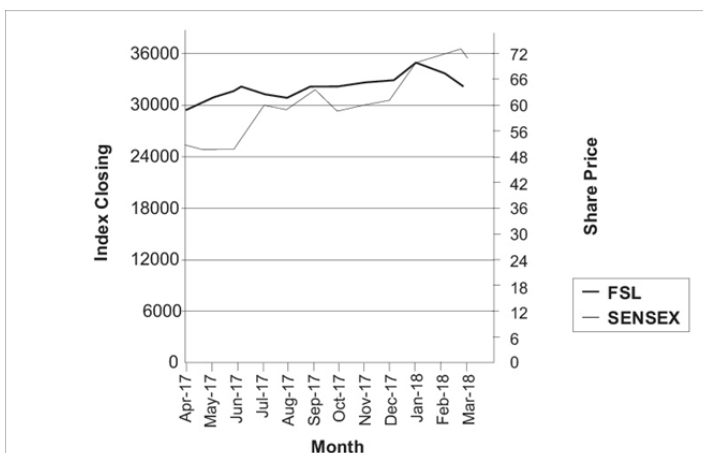
- vi) Stock Code** 533213

- vii) ISIN** INE773B01012

viii) Stock Market Price Data

MONTH	Bombay stock Exchange(BSE) (in Rs. Per Share)	
	Month's High Price	Month's Low Price
Apr-17	61.20	40.00
May-17	61.60	49.00
Jun-17	52.55	46.05
Jul-17	63.00	50.50
Aug-17	62.90	55.00
Sep-17	63.00	50.60
Oct-17	63.00	55.10
Nov-17	63.00	53.20
Dec-17	62.00	57.85
Jan-18	81.50	57.50
Feb-18	80.90	63.65
Mar-18	78.00	59.65

Performance in comparison to broad-based indices such as BSE Sensex:



Comparison is done between the Share Price Daily closing and Sensex Index closing level.

ix) Registrar & Share Transfer Agents: M/s Link Intime India Private Limited,
44 Community Centre, 2nd Floor,
Nariana Industrial Area, Phase I,
Near PVR Naraina, N. D.-11008,
Email:delhi@linkintime.co.in

Share Transfer System

The Share Transfers pertaining to share in Physical Mode are registered and returned within the stipulated time, if documents are complete in all respects. In respect of the shares held in dematerialized mode, the transfer takes place instantaneously between the transferor, transferee and the Depository Participant through electronic debit/credit of the accounts involved.

x) Distribution of Shareholding as on March 31st, 2018 is as follows:

Shareholding of Shares	Folios		Shares	
	Numbers	%	Numbers	%
1-500	2299	92.18	245135	4.14
501-1000	104	4.17	86611	1.46
1001-2000	39	1.57	55716	0.94
2001-3000	14	0.56	36541	0.62
3001-4000	9	0.36	32649	0.55
4001-5000	3	0.12	13138	0.22
5001-10000	9	0.36	66238	1.12
10001& above	17	0.68	5391818	90.95
TOTAL	2494	100.00	5927846	100.00

xi) Shareholding Pattern as on March 31st , 2018 is as follows:

S. No.	Category	No. of equity shares	% of shares
1.	Promoters	43,27,277	73.00
	Sub Total (A)	43,27,277	73.00
	Public Shareholding		
	o Bodies Corporate	83,074	1.40
2.	o Individuals	12,05,825	20.34
	o Others	3,11,670	5.26
	Sub Total (B)	16,00,569	27.00
	Grand Total (A)+(B)	59,27,846	100

xii) Dematerialization of shares and Liquidity

As on 31st March 2018, 57,30,223 shares aggregating to 96.67% of the paid up share capital are held in dematerialized mode.

xiii) Outstanding GDRs/ADRs/Warrants

No GDR / ADR / Warrant or any convertible instrument has been issued by the Company.

xiv) Address for correspondence

The members may address their communication/ grievances/ queries to the Company/ Registrar and Share Transfer Agent at the following address:

Link Intime India Private Limited

44, Community Centre
2nd Floor, Naraina Industrial Area,
Phase I, Near PVR, Naraina
New Delhi-110028
Contact No: 011-41410592/93/94

Frontline Securities Ltd.**Registered Office:**

M-6, M-Block Market
Greater Kailash-II,
New Delhi-110048
Tel: +91-120-2534066

Branch Office:

B-22, Sector-4, Noida-201301
Tel: +91-120-2534066
Fax: +91-120-2534111

Members are requested to quote their folio number/DP ID & Client ID in all their correspondence with the Company/ RTA.

14. Prevention of Insider Trading

In accordance with the requirements of SEBI (Prohibition of insider Trading) Regulations 2015, the company has instituted a code of conduct for prohibition of insider trading in the company's shares.

15. Reconciliation of Share Capital Audit

As stipulated by SEBI, a qualified Practicing Company Secretary carries out the Reconciliation of Share Capital Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSIL) and the total issued and paid-up capital. This audit is carried out every quarter and the report thereon is submitted to the stock exchanges and is placed before the Board

of Directors of the Company. The audit, interalia, confirms that the listed and paid up capital of the company is in agreement with the aggregate of the total number of shares in dematerialized form held with NSDL and CDSIL and the total number of shares in physical form.

16. Transfer of Unclaimed Dividend To Investor Protection Fund

Transfer of Unclaimed Dividend to Investor Education and Protection Fund (IEPF) Pursuant to the provisions of Section 124 of the Companies Act, 2013, the dividend amounts which have remain unpaid or unclaimed for a period of seven years from the date of declaration have been transferred by the Company to the Investor Education and Protection Fund ("IEPF") established by the Central Government pursuant to Section 125 of the said Act. Shareholders who have not encashed their dividend warrants relating to the dividend related to FY 2010-11 and subsequent years send their request for issue of duplicate warrants. Once unclaimed dividend is transferred to the IEPF Authority, the same can be claimed from the IEPF Authority after following the procedures prescribed in the IEPF Rules.

During the Year, Company has transferred 1,16,004 of Equity shares to IEPF Suspense Account.

17. CEO / CFO Certification

In accordance with the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, CA. Mayank Agarwal, the CFO of the Company, has certified to the Board that to the best of his knowledge and belief, the financial statements and Cash Flow statements present a true and fair view of the Company's affairs. The CFO Certification is provided in the Annual Report.

18. Code of Conduct

The Company has laid down a Code of Conduct for all the Board Members and Senior Management Personnel. All Board Members and Senior Management Personnel have confirmed compliance with the said code of conduct for the financial year ended March 31st, 2018. The declaration to this effect signed by the Whole-Time Director forms part of the report.

19. Compliance Certificate on the Corporate Governance from the Auditors

The certificate dated May 28, 2018 obtained from Statutory Auditors of the Company, M/s. Walecha Inder & Associates, confirming compliance with the Corporate Governance requirements as stipulated under Schedule V read with Regulation 34 (3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is annexed hereto.

20. Green Initiative in the Corporate Governance:

As part of the green initiative process, the Company has taken an initiative of sending documents/ Annual Report by email. Physical copies are sent only to those shareholders whose email addresses are not registered with the company or on specific request. Shareholders are requested to register their email id with Registrar and Share Transfer Agent / concerned depository and Company to enable the Company to send the documents in electronic form.

By Order of the Board of Directors
For Frontline Securities Limited

Place: Noida

Date: 28.05.2018

Richa Arora
Whole Time Director and Company Secretary
DIN:07825684

CERTIFICATE BY THE CHIEF FINANCIAL OFFICER (CFO) PURSUANT TO PART B SCHEDULE II READ WITH REGULATION 17(8) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Board of Directors
Frontline Securities Limited
M-6, IIInd Floor, M-Block Market,
Greater Kailash-II, New Delhi-110048

I, C.A. Mayank Agarwal., Chief Financial Officer of Frontline Securities limited, to the best of my knowledge and belief, certify that:

- A. I have reviewed financial statements and the cash flow statement for the year and that to the best of my knowledge and belief:
- 1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - 2) These statements together present a true and fair view of Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of company's code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. I have not come across any reportable deficiencies in the design or operation of such internal controls.
- D. I have indicated to the auditors and the Audit Committee-
- 1) That there are no significant changes in internal control over financial reporting during the year;
 - 2) That there are no significant changes in accounting policies during the year ; and
 - 3) That there are no instances of significant fraud of which I have become aware.

Place: Noida
Date: 28.05.2018

Mayank Agarwal
Chief Financial Officer
M.NO: 544992

Declaration by Whole Time Director under Regulation 34(4) and Schedule V of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015 regarding the compliance with Code of Conduct

To,

The Members

In accordance with the Regulation 34(4) and Schedule V of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, I hereby confirm that, all Board Members and the Senior Management personnel of the Company have affirmed compliances with the Rules of Code of Conduct, as applicable to them, for the Financial Year ended on March 31, 2018.

On Behalf of the Board of Director
For Frontline Securities Limited

Place: Noida
Date: 28.05.2018

Gauri Shanker Pandey
Whole Time Director
DIN: 00050614

INDEPENDENT AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members of
Frontline Securities Limited

1. This certificate is issued in accordance with terms of our engagement, with Frontline Securities Limited ('the Company').
2. We have examined the compliance of conditions of Corporate Governance by Frontline Securities Limited ('the Company'), for the year ended 31st March 2018, as stipulated in Regulation 17 to 27 and clauses (b) to (i) of the Regulation 46(2) and para C and D of Schedule V of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 ('Listing Regulations') as amended from time to time (the "Listing Regulations").

Management's responsibility

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

Auditor's responsibility

4. Our Responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.
5. We have examined the books of accounts and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with the conditions of Corporate Governance as stipulated in Listing Regulations.
6. We have carried out an examination of the relevant records of the Company in accordance with the "guidance Note on the Certification of Corporate Governance", issued by the Institute of the Chartered Accountants of India ("the ICAI"), the standards on the Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate and as per the "Guidance Note on the Reports or Certificates for Special Purposes", issued by the ICAI, which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.
7. We have complied with the relevant applicable requirements of the standard on quality Control (SOC) I. "Quality Control for Firms that Perform audits and reviews of Historical Financial Information and Other Assurance and Related Services engagements", issued by the ICAI.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations, during the year ended 31st March, 2018.
9. We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the Management has conducted the affairs of the Company.

For Walecha Inder & Associates
Chartered Accountant
FRN: 014205N

Place: Noida
Date: 28.05.2018

Walecha Inder Jeet
Partner
M. No. 093694

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Frontline Securities Limited
New Delhi

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Frontline Securities Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone 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 standalone statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 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 standalone 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 there under.

We conducted our audit 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 financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the company has an adequate internal financial controls system over the financial reporting in place and the operating effectiveness of such controls. 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 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 standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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,

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2018; and
- b) In the case of the Statement of Profit and Loss, of the Profit of the company for the year ended on that date.
- c) In the case of the Cash Flow Statement, the cash flow of the company for the year ended March 31, 2018

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 of India in terms of sub section 11 of section 143 of the Act, we give in the Annexure A, a statement on the matters specified in the paragraph 3 & 4 of the Order, to the extent applicable.
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 company does not have any other branch where separate accounting record is maintained.
 - (d) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of accounts.
 - (e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - (f) 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.
 - (g) 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"; and
 - (h) 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:
 - a) The company does not have any pending litigation which would impact its financial positions.
 - b) The company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.
 - c) There was no amount required to be transferred to the Investor Education and Protection Fund by the Company.

For M/s Walecha Inder & Associates
Chartered Accountants
Registration No. 014205N

(Walecha Inder Jeet)
Partner
Membership No. 093694

Place: Noida
Date: 28.05.2018

Annexure - A to the Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2018, we report that:

- (i)
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - (b) The Company has a regular program of physical verification of its fixed assets at regular intervals and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the company, the title deeds of immovable properties are held in the name of company.
- (ii) The nature of the company is such that clause 3 (ii) of the Order is not applicable.
- (iii) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered under register maintained under Section 189 of the Companies Act, 2013 and therefore, clause 3(iii) of the Order is not applicable.
- (iv) In our opinion, and according to information and explanation given to us, company has not granted any loans, investment, guarantees and security to director or any other person in whom director is interested therefore provisions of section 185 and 186 of the Companies Act, 2013, is not applicable to the company.
- (v) According to the information and explanations given to us, the company has not accepted any deposit from the public under the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under and accordingly the clause 3(v) of the Order is not applicable.
- (vi) The Central Government has not prescribed the maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the Company.
- (vii)
 - (a) In our opinion and according to the information and explanations given to us, and on the basis of our examination of the records of the Company, the provisions of Custom Act, Excise Duty are not applicable to the company during the year and accordingly no comment has been made in respect of these dues. Further the company is regular in depositing other undisputed statutory dues including Income Tax, Service Tax, Cess and any other statutory dues with the appropriate authority. There are no undisputed statutory dues payable in respect of Income Tax, Service Tax, Cess and any other statutory dues which are standing as at 31 March 2018 for a period of more than six months from the date they became payable.
 - (b) There are no statutory dues of Provident Fund, Employee State Insurance, Investor Education & Protection Fund, Income Tax, Service Tax, Cess and any other statutory dues which have not been deposited on account of any dispute.
- (viii) In our opinion, and according to the information and explanations given to us, the company is not required to repay any dues to a financial institution or bank or debenture holders during the current financial year. Accordingly, paragraph 3 (viii) of the Order is not applicable.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided any managerial remuneration as per the provisions of Sec 197 of Companies Act, 2013 read with Schedule V of the Act.

- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) Company is registered under section 45-IA of the Reserve Bank of India Act, 1934 vide Certificate of Registration number B-14.00089 dated 26.02.1998

For M/s Walecha Inder & Associates
Chartered Accountants
Registration No. 014205N

(Walecha Inder Jeet)
Partner
Membership No. 093694

Place: Noida

Date: 28.05.2018

Annexure - B to the Auditors' Report

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 Frontline Securities Limited ("the Company") as of 31 March 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 ('ICAI'). 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 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 judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for 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 authorizations 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 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 31 March 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.

For M/s Walecha Inder & Associates

Chartered Accountants

Registration No. 014205N

(Walecha Inder Jeet)

Partner

Membership No. 093694

Place: Noida

Date: 28.05.2018

BALANCE SHEET AS AT 31st March 2018

(Amount in Rs.)

PARTICULAR	Note No	As at 31.03.2018	As a 31.03.2017
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2.1	5,92,78,460	71,866,890
(b) Reserves and Surplus	2.2	395,337,651	364,744,883
(2) Non-Current Liabilities			
(a) Long-term borrowings	2.3	7,891,316	11,151,252
(b) Other long term liabilities	2.4	918,875	1,335,420
(c) Long term provisions	2.5	32,642	17,673
(3) Current Liabilities			
(a) Short-term borrowings	2.6	3,259,940	2,874,158
(b) Trade payables	2.7	1,741,392	1,032,391
(c) Other current liabilities	2.8	3,582,042	1,653,685
(d) Short-term provisions	2.9	3,575,603	4,346,711
Total		475,617,921	459,023,063
II. ASSETS			
(1) Non-current assets			
(a) Property, Plants & Equipment	2.10		
(i) Tangible Assets		129,286,557	55,400,548
(ii) Intangible Assets		91,100	154,123
(iii) Capital Work In Progress		-	41,289,073
(b) Non-current investments	2.11	291,309,357	327,842,215
(c) Deferred tax Assets (Net)	2.26	1,518,497	1,477,502
(d) Long Term Loans and Advances	2.12	14,928,945	8,175,172
(2) Current assets			
(a) Trade Receivables	2.13	7,086,869	-
(b) Cash and bank balances	2.14	14,672,283	14,503,044
(c) Short-term loans and advances	2.15	15,095,531	8,895,750
(d) Other Current Assets	2.16	1,628,782	1,285,636
Total		475,617,921	459,023,063

Significant Accounting Policy & Notes to Accounts 1 & 2

FOR AND ON BEHALF OF THE BOARD

“AS PER OUR REPORT ATTACHED OF EVEN DATE”

For M/s WALECHA INDER & ASSOCIATES

Chartered Accountants

Firm's Registration Number : 014205N

(RAKESH K. JAIN)

Director

DIN : 00050524

(GAURI SHANKER PANDEY)

Whole Time Director

DIN : 00050614

(Walecha Inder Jeet)

Partner

M.No: 093694

(CS RICHA ARORA)

Company secretary

M.No. : 42906

(CA MAYANK AGARWAL)

Chief Financial Officer

M.No. : 544992

Place : Noida

Date : 28/05/2018

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

(Amount in Rs.)			
Particulars	Note No	For the Year Ended 31.03.2018	For the Year Ended 31.03.2017
I. Revenue:			
a) Revenue from operations	2.17	35,109,922	8,064,192
b) Other Income	2.18	94,497,352	47,936,790
Total Revenue		129,607,274	56,000,982
II. Expenses:			
a). Employee benefit expense	2.19	4,498,000	3,052,442
b). Finance costs	2.20	1,133,784	1,433
c). Administrative & Other Expenses	2.21	5,690,074	3,440,034
d). Depreciation and Amortization expense	2.10	2,092,723	341,650
Total Expenses		13,414,581	6,835,559
III. Profit before tax	(I - II)	116,192,693	49,165,423
IV. Tax expense			
(1) Current tax	23,102,965	8,892,395	
(2) Mat Credit	<u>(6,509,858)</u>	<u>(4,684,818)</u>	
		16,593,107	4,207,577
(3) Deferred tax		(40,995)	(39,017)
V. Profit/(Loss) for the period		99,640,581	44,996,863
VI. Earning per equity share:			
Basic		14.13	6.26
Diluted		14.13	6.26
Weighted average number of equity shares		7,052,182	7,186,689
Face value per equity share (Rs.)		10.00	10.00

Significant Accounting Policy & Notes to Accounts 1 & 2

FOR AND ON BEHALF OF THE BOARD

“AS PER OUR REPORT ATTACHED OF EVEN DATE”

For M/s WALECHA INDER & ASSOCIATES
Chartered Accountants
Firm's Registration Number : 014205N

(RAKESH K. JAIN)
Director
DIN : 00050524

(GAURI SHANKER PANDEY)
Whole Time Director
DIN : 00050614

(Walecha Inder Jeet)
Partner
M.No: 093694

(CS RICHA ARORA)
Company Secretary
M.No. :-42906

(CA MAYANK AGARWAL)
Chief Financial Officer
M.No. :-544992

Place : Noida
Date : 28/05/2018

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

Particulars	Amount in Rs.	
	For the year ended 31.03.2018	For the year ended 31.03.2017
A.Cash Flow from Operating Activities		
Net Profit Before Taxation	116,192,693	49,165,423
Adjustments for Profit & Loss Account		
Depreciation	2,092,723	341,650
Dividend Income	(8,023,312)	(5,625,573)
Profit on Sale of Investements (Net)	(86,065,165)	(41,961,114)
Rental Income	(116,600)	(349,800)
Sundry balances written off	-	(5,919)
Loss / (Gain) on Sale of Fixed Assets	(92,112,354)	208,134
Operating Profit before working capital Changes	24,080,339	-
Adjustments for Working Capital		
Increase / (Decrease) in Trade Payables	709,001	297,959
Increase / (Decrease) in Short Term Borrowings	385,782	-
Increase/ (Decrease) in Other current liabilities	1,922,941	(373,631)
Increase/ (Decrease) in Short term provisions	1,129	(128,095)
(Increase)/ Decrease in Trade Receivables	(7,086,869)	-
(Increase)/ Decrease in Short term loans & advances	(6,199,781)	33,836,335
(Increase)/ Decrease in Other current assets	547,928	1,665,234
Cash Generated from Operations	(9,719,869)	35,297,802
Advance Tax/ TDS Paid	(23,994,042)	(8,892,395)
Net Cash From Operating Activities	(9,633,572)	28,178,209
B.Cash Flow from Investing Activities		
(Purchase) / Sale of Fixed Assets [Net]	(34,626,634)	(30,543,377)
(Purchase) / Sale of Investments [Net]	36,532,859	(3,068,073)
Profit on Sale of Investment (Net)	86,065,165	-
Long Term Loans and Advances	(243,914)	7,069,019
Long term Borrowings	(3,259,936)	(3,174,039)
Rental Income	116,600	349,800
Increase/ (Decrease) in Other long term liabilities	(416,545)	407,320
Dividend Income	8,023,312	5,625,573
Net Cash Used in Investing Activities	92,190,907	(23,333,777)
C.Cash Flow from Financing Activities		
Dividends paid (including unclaimed)	(3,593,345)	(3,593,345)
Dividend Distribution Tax	(751,901)	(751,901)
Buy Back of Equity Share Capital	(78,048,266)	-
Net Cash Used in Financing Activities	(82,393,512)	(4,345,246)
Net Increase/(Decrease)(In cash and cash equivalents)	163,823	499,185
Cash and cash Equivalents at the beginning of the Year	801,612	302,427
Cash and cash Equivalents at the end of the Year	965,435	801,612
Earmarked Balance with Bank	1,206,848	1,201,432
Short Term Bank Deposits	12,500,000	12,500,000
Cash and Bank Balances at the end of year	14,672,283	14,503,044

FOR AND ON BEHALF OF THE BOARD

“AS PER OUR REPORT ATTACHED OF EVEN DATE”

For M/s WALECHA INDER & ASSOCIATES

Chartered Accountants

Firm's Registration Number : 014205N

(RAKESH K. JAIN)

Director

DIN : 00050524

(GAURI SHANKER PANDEY)

Whole Time Director

DIN : 00050614

(Walecha Inder Jeet)

Partner

M.No: 093694

(CS RICHA ARORA)

Company Secretary

M.No. :-42906

(CA MAYANK AGARWAL)

Chief Financial Officer

M.No.-544992

Place : Noida

Date : 28/05/2018

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31.03.2018

1. ACCOUNTING POLICIES

a. Brief history and method of Accounting

The company is a listed public company in BSE, registered under the Companies Act, 1956. The company is registered as a Non –Deposit taking Non-Systematically Important Non-Banking Financial Company (NBFC).

The financial statements have been prepared and presented under the historical cost convention on accrual basis of accounting and accounting principles generally accepted in India and comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013 read together with paragraph 7 of the Companies (Accounts) Rules, 2014 to the extent applicable and practices generally prevalent in India.

b. Use of Estimates

The preparation of the financial statements in conformity with generally accepted accounting principles ('GAAP') in India requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements. Management believes that the estimates made in the preparation of financial statements are prudent and reasonable. Actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

c. Valuation of stock of securities

Stock of securities is valued at lower of cost and market price. However, there is no stock on year ending.

d. Revenue Recognition

Gain or loss from investment in securities reflects the net gain/loss on redemption and investments in securities.

Brokerage, interest and commission income is being recorded on accrual basis.

Dividend income is being recorded when the company's right to receive the payment is established.

e. Expenses

Expenses are accounted on accrual basis and provisioning is made for all known liabilities.

f. Property, Plant and Equipment

(i) Property, Plant and equipment (PPE) are stated at cost including expenses incurred up to the date of their installation/commissioning as reduced by accumulated depreciation/ impairment provided in the accounts. The useful life of assets is taken as prescribed in Schedule II to the Companies Act, 2013. The company has adopted Straight Line Method for charging Depreciation.

(ii) Capital work-in-progress is stated at cost.

(iii) Software is classified as intangible assets at their cost and amortized over a period of 7 Year.

g. Foreign currency Transactions

a) Initial recognition:

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

b) Conversion:

Foreign currency monetary items are retranslated using the exchange rate prevailing at the reporting date. Non-monetary items, which are measured in terms of historical cost denominated in a foreign

currency, are reported using the exchange rate at the date of the transaction. Non-monetary items, which are measured at fair value or other similar valuation denominated in a foreign currency, are translated using the exchange rate at the date when such value was determined.

c) **Exchange differences:**

Exchange differences arising on the settlement of monetary items are recognized as income or expenses in the year in which they arise.

Exchange differences arising on a monetary item that, in substance, forms part of the company's net investment in a non-integral foreign operation is accumulated in a foreign currency translation reserve in the financial statements until the disposal of the net-investment, at which time they are recognized as income or as expenses.

However, there are no foreign currency transactions in the year.

h. Government Grants

Government grants are recognized when there is reasonable assurance that the company will comply with the conditions attached to them and grants will be received.

Government grants whose primary condition is that the company should purchase, construct or otherwise acquire capital assets are presented by deducting them from the carrying value of the assets. The grant is recognized as income over the life of a depreciable asset by way of a reduced depreciation charge.

Other government grants are recognized as income over the periods necessary to match them with the costs for which they are intended to compensate, on a systematic and rational basis.

i. Valuation of the Investments

As per Accounting Standard 13 (AS-13 revised), investments are classified as 'Current Investments' & 'Long term Investments' depending upon the intention to hold the same at the time of making investments. The long term investments are valued at cost. However, if there is any decline in the value of investment, other than temporary, the carrying amount of investment is reduced for recognizing the decline in value for each investment.

j. Employee Benefits

Gratuity Benefits are recognized as an expense in the profit & loss account for the year in which the employee has rendered services. The expenses are recognized at the present value of the amounts payable determined using actuarial valuation techniques. Actuarial gains and losses in respect of gratuity are charged to profit and loss account.

k. Borrowing Cost

Borrowing cost includes interest. Such costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective asset. All other borrowing costs are expensed in the period they occur.

l. Segment Reporting

The company operates in one geographical segment, i.e. India and has identified two business segments i.e. Segment-I which is Consultancy Commission & Brokerage and Segment-II Investments in Bonds, Fixed Deposits & Loans & Advances. Segment Profit & Loss is measured on the basis of Operating Profit or Loss of each respective segment. Segment Assets and Liabilities have been apportioned similarly.

m. Leases

Where the Company, as a lessor, leases assets under finance lease, such amounts are recognised as receivables at an amount equal to the net investment in the lease and the finance income is based on a constant rate of return on the outstanding net investment.

Assets taken on lease by the company in its capacity as lessee, where the company has substantially all the risks and rewards of ownership are classified as finance lease. Such a lease is capitalised at the inception of the lease at lower of the fair value or the present value of the minimum lease payments and a liability is recognised for an equivalent amount. Each lease rental paid is allocated between the liability and the interest cost so as to obtain a constant periodic rate of interest on the outstanding liability for each year.

Lease arrangements where the risks and rewards incidental to ownership of an asset substantially vests with the lessor, are recognised as operating lease. Lease rentals under operating lease are recognised in the statement of profit and loss on a straight-line basis.

n. Earning Per Share

Basic earnings per equity share are being computed by dividing net profit after tax by the weighted average number of shares outstanding during the year as prescribed in Accounting Standard 20 prescribed in the Companies (Accounting Standard) Rules, 2016 issued by the Central Government in consultation with the National Advisory Committee on Accounting Standard.

o. Taxes on Income

Tax expenses comprise current and deferred taxes. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961. Deferred Income Tax reflects the impact of current year timing difference between the taxable income and the accounting income for the year and reversal of timing difference of earlier years.

Deferred tax is measured based on the tax rates and tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets and deferred tax liabilities are offset, if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred tax assets and deferred tax liabilities relate to taxes levied by the same governing taxation laws. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised. In situation where the company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realised against future taxable profits.

At each Balance sheet date, the company re-assesses unrecognized deferred tax assets and recognizes deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

p. Intangible assets

Cost incurred on intangible assets, resulting in future economic benefits are capitalized as intangible assets and amortized on a straight-line method beginning from the date of capitalization over a period of 7 years.

q. Impairment of Fixed Asset

Management periodically assesses using external and internal sources whether there is an indication that fixed assets of the company have suffered an impairment loss. Impairment loss, if any, is provided as per Accounting Standard (AS-28) on Impairment of Assets.

r. Provisions, Contingent Liabilities and Contingent Assets

As per Accounting Standard 29 (AS-29 Revised), a provision is recognized when there is a present obligation as a result of amount of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. Disclosure for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources.

No provision is recognized or disclosure for contingent liability is made as there is no possible obligation or a present obligation and the likelihood of outflow of resources is remote. Contingent Assets is neither recognized nor disclosed in the financial statements.

2. NOTES TO ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2018

The previous year figures have been regrouped / reclassified, wherever necessary to confirm to the current period presentation.

2.1. SHARE CAPITAL

Particulars	As at 31.03.2018		(Amount in Rs.) As at 31.03.2017	
	Nos.	Amount	Nos.	Amount
AUTHORISED				
Equity Shares of Rs.10/- each	1,00,00,000	100,000,000	1,00,00,000	100,000,000
ISSUED, SUBSCRIBED & PAID-UP				
Equity shares of Rs.10/- each fully paid up	5,927,846	59,278,460	7,186,689	71,866,890
Total	5,927,846	59,278,460	7,186,689	71,866,890

In the event of liquidation of the company, the Equity shareholders will be entitled to receive any of remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

The reconciliation of the number of shares outstanding and the amount of share capital as at March 31, 2018 and March 31, 2017 is set out below -

Particulars	As at 31.03.2018		(Amount in Rs.) As at 31.03.2017	
	Nos.	Amount	Nos.	Amount
No. of share at the beginning	7,186,689	71,866,890	7,186,689	71,866,890
Add - Shares issued during the year	-	-	-	-
Less - Shares buyback during the year	1,258,843	12,588,430	-	-
No. of share at the end	5,927,846	59,278,460	7,186,689	71,866,890

Details of shares held by shareholders holding more than 5% of the aggregate shares in the company

Particulars	As at 31.03.2018		As at 31.03.2017	
	Nos.	%	Nos.	%
Mr Rakesh K Jain	2,495,910	42.10	2,995,910	41.69
Ms. Perna Jain	1,388,504	23.42	1,763,504	24.54
Hope Consultants Limited	410,043	6.92	410,043	5.71
Total	4,294,457	72.46	5,169,457	71.94

Proposed Dividend

Particulars	As at 31.03.2018	As at 31.03.2017
Dividend per Share on shares of Rs. 10 each	0.50	0.50
Dividend Proposed %	5	5

The company has only one class of shares referred to as equity shares having a par value of Rs.10/-, each holder of equity shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

Buy-back of Equity Shares

a.) The Company had brought Back of 12,58,843/- fully paid Equity Shares having face Value of Rs. 10/- each

from its Equity shareholders on a proportionate basis through “Tender Offer” route in Financial year 2017-18 at a price of Rs. 62/- per equity shares. The company has utilised a sum of Rs. 2,37,54,125/- from its Security Premium Account, to the extent available and Rs. 5,42,94,141/- from Profit & Loss Account to pay a sum of Rs. 7,80,48,266/- to its shareholders.

- b.) The Company had brought Back of 23,75,000/- fully paid Equity Shares having face Value of Rs. 10/- each from its Equity shareholders on a proportionate basis through “Tender Offer” route in Financial year 2013-14 at a price of Rs. 32.50/- per equity shares.

2.2 RESERVES AND SURPLUS

	(Amount in Rs.)	
	As at 31.03.2018	As at 31.03.2017
<u>A) General Reserves</u>		
Opening Balance	5,047,852	5,047,852
(+) Current year transfer	-	-
Closing Balance	5,047,852	5,047,852
<u>B) Security Premium Account</u>		
Opening Balance	23,754,125	23,754,125
(+) Current year transfer	-	-
(-) Deduction for current year	(23,754,125)	-
Closing Balance	-	23,754,125
<u>C) RBI Reserve Fund</u>		
Opening Balance	96,391,529	87,392,156
(+) Current year transfer	19,928,116	8,999,373
Closing Balance	116,319,645	96,391,529
<u>D) Capital Redemption Reserve</u>		
Opening Balance	23,182,610	23,182,610
(+) Current year transfer	12,588,430	-
Closing Balance	35,771,040	23,182,610
<u>E) Surplus</u>		
Opening Balance	216,368,768	184,595,514
(+) Net Profit/ (Net Loss) for the current year	99,640,581	44,996,863
(-) Buy Back of Shares #	(54,294,141)	-
(-) Proposed Dividend	(2,963,923)	(3,593,345)
(-) Proposed Dividend Tax	(609,086)	(751,901)
(-) Transfer to RBI Reserves	(19,928,116)	(8,999,373)
(+/-) Contingency Provision against Standard Assets	(14,969)	126,928
(-) Short provision made in the previous year	-	(5,919)
Closing Balance	238,199,114	216,368,768
Grand Total	395,337,651	364,744,883

The Board of Directors at its meeting held on 28/05/2018 has recommended a final dividend of 5% (Rs. 0.50 per equity share of Rs.10/- each) for the F.Y. 2017-18 subject to the approval of shareholders.

The amount includes a sum of Rs. 1,25,88,430/- transferred to Capital Redemption Reserve Account (Nominal value of share purchased) in compliance of Section 69 of Companies Act, 2013

2.3 LONG TERM BORROWING

		(Amount in Rs.)
Particulars	As at 31.03.2018	As at 31.03.2017
Payable to Greater Noida Authority for Land	7,891,316	11,151,252
	7,891,316	11,151,252

2.4 OTHER LONG TERM LIABILITIES

		(Amount in Rs.)
Particulars	As at 31.03.2018	As at 31.03.2017
Security Deposit	-	159,000
Security Deposit from Contractor	918,875	1,176,420
	918,875	1,335,420

2.5 LONG TERM PROVISIONS

		(Amount in Rs.)
Particulars	As at 31.03.2018	As at 31.03.2017
Contingent provision against standard asset	32,642	7,673
Total	32,642	17,673

2.6 SHORT TERM BORROWING

		(Amount in Rs.)
Particulars	As at 31.03.2018	As at 31.03.2017
Payable to Greater Noida Authority for Land	3,259,940	2,874,158
	3,259,940	2,874,158

2.7 TRADE PAYABLE

		(Amount in Rs.)
Particulars	As at 31.03.2018	As at 31.03.2017
Sundry Creditors	1,353,184	13,336
Commission & Brokerage Payable	388,208	1,019,055
	1,741,392	1,032,391

2.8 OTHER CURRENT LIABILITIES

		(Amount in Rs.)
Particulars	As at 31.03.2018	As at 31.03.2017
Expenses Payable	486,599	259,356
I.G.S.T Payable	1,787,830	-
P.F. Payable	23,648	12,538
Labour Cess Payable	-	41,309
TDS payable	77,117	45,626
WCT payable	-	93,424
Unclaimed Dividend	1,206,848	1,201,432
	3,582,042	1,653,685

There is no amount due for the payment to the Investor Education and Protection Fund under section 124 of the Companies Act, 2013 as at the year end in respect of Unpaid Dividend

2.9 SHORT TERM PROVISIONS

		(Amount in Rs.)
Particulars	As at 31.03.2018	As at 31.03.2017
Gratuity Payable	2,594	1,465
Proposed Dividend	2,963,923	3,593,345
Corporate Dividend tax	609,086	751,901
	3,575,603	4,346,711

2.10 Fixed Assets

PARTICULARS	GROSS BLOCK			DEPRECIATION				NET BLOCK	
	As at 01.04.2017	Addition during the year	Deduction during the year	As at 31.03.2018	As at 01.04.2017	Provided during the year	Adjusted during the year	As at 31.03.2018	As at 31.03.2017
<u>(i) Tangible Assets</u>									
Leasehold Land	52,196,178	607,768	-	52,803,946	-	-	-	52,803,946	52,196,178
Building	4,319,000	69,368,690	-	73,687,690	1,343,748	1,563,421	-	70,780,521	2,975,252
Vehicle	-	4,070,887	-	4,070,887	-	292,700	-	3,778,187	-
Office Equipments	137,649	24,500	-	162,150	127,452	6,765	-	27,932	10,197
Computer Equipments	190,650	54,618	-	245,268	59,956	54,173	-	131,139	130,694
Furniture & Fixture	238,610	-	-	238,610	150,384	19,755	-	68,471	88,226
Electrical Equipments	-	1,789,245	-	1,789,245	-	92,885	-	1,696,361	-
<u>(ii) Intangible Assets</u>									
Software	536,534	-	-	536,534	382,411	63,024	-	91,100	154,123
<u>(iii). Capital Work In Progress</u>									
“Building Work in Progress on Leasehold Land”	41,289,073	29,868,861	71,157,934	-	-	-	-	-	41,289,073
Total	98,907,694	105,784,569	71,157,934	133,534,330	2,063,951	2,092,723	-	129,377,657	96,843,743
Previous Year	69,914,317	29,595,206	601,829	98,907,694	2,157,622	341,650	435,321	96,843,743	67,756,695

Leasehold Land has been taken from Greater Noida Authority during the FY 2011-12

The company has completed construction of an office building on leasehold land of 2499.84 Sq. Meter during the FY 2017-18. The depreciation of Rs. 13,85,291/- has been charged on this office building which has been clubbed under the assets class “Buildings”. The certificate of completion was applied on 16.06.2017 which has been duly received on 20.03.2018 from Greater Noida.

2.11 NON CURRENT INVESTMENTS

(Amount in

(Amount in Rs.)					
Scrip Name	Face Value	As at 31.03.2018		As at 31.03.2017	
		Nos. of Shares/Units	Value	Nos. of Shares/Units	Value
(i) Unquoted Investments					
1. Systma Shyam Teleservices Ltd.*	10	-	-	154,830	1,228,10
2. Jord Engineering (I) Ltd.	10	100	-	100	-
3. Ballmer lawerie cont. ltd	10	200	210	200	210
Total (A)		300	210	155,130	1,228,310

(ii) Quoted (Non Trade Investments)

1. Adani Ports and SEZ Ltd.	2	-	-	25,000	7,256,963
2. Adani Transmission Ltd	10	-	-	52,500	2,161,524
3. Aditya Birla Capital Ltd.	10	115,400	19,586,343	-	-
4. Amara Raja Batteries Ltd.	1	500	352,873	1,500	1,294,217
5. Andhara Cements Ltd.	10	-	-	599,934	4,535,179
6. Ashok Leyland Ltd.	1	28,000	3,283,687	-	-
7. Atul Ltd	10	-	-	400	622,473
8. Bank Of Baroda	2	70,000	10,607,570	-	-
9. BSE Ltd.	2	100	98,357	-	-
10. Bharat Petroleum Corporation Ltd	10	-	-	1,000	681,784
11. Castrol India Ltd	5	-	-	1,000	365,116
12. Central Depository Services (India) Ltd	10	12,500	4,104,406	-	-
13. Container Corporation Ltd.	10	11,000	15,397,807	-	-
14. D-Link (India) Ltd	2	-	-	45,000	5,969,950
15. Delta Corp Ltd.	1	4,500	1,107,172	-	-
16. Development Credit Bank Ltd	10	-	-	10,000	806,232
17. Dewan Housing Finance Co. Ltd.	10	-	-	20,000	6,128,918
18. Divi's Laboratories Ltd	2	-	-	2,000	1,492,667
19. ESSIL Propack Ltd.	2	25,067	6,532,039	-	-
20. Equitas Holdings Ltd.	10	-	-	18,900	3,147,314
21. Ester Industries Ltd.	5	32,500	2,070,183	-	-
22. Finolex Industries Ltd.	10	6,200	3,848,461	-	-
23. Force Motors Ltd.	10	750	2,384,881	-	-
24. The Federal Bank Ltd.	2	-	-	25,000	1,161,777
25. Gabriel India Ltd	1	-	-	15,000	1,607,157
26. Gateway Distriparks Ltd	10	6,000	1,415,763	43,500	12,049,764
27. GMR Infrastructure Ltd	1	-	-	150,000	1,844,930
28. Godrej Consumer Products Ltd	1	-	-	2,500	4,019,542
29. Godrej Agrovet Ltd.	10	2,500	1,464,112	-	-
30. HDFC Bank Ltd	2	3,000	4,891,289	3,250	3,362,755
31. ICICI Bank Ltd.	2	-	-	26,500	6,380,507
32. IDFC Ltd.	10	-	-	65,000	3,114,437
33. IDFC Bank Ltd.	10	203,500	11,899,654	21,500	1,077,865
34. Indiabulls Housing Finance Ltd	2	-	-	7,500	5,694,031
35. Jaiprakash Power Ventures Ltd	10	-	-	500,000	2,916,442

36. J.K. Cement Ltd.	10	-	-	2,250	1,350,904
37. Jyothy Laboratories Ltd.	1	21,500	7,647,778	-	-
38. Udaipur Cement Works Ltd.	4	10,100	9,599	10,100	9,595
39. JK Lakshmi Cement Ltd.	5	-	-	6,000	2,183,995
40. Kalpatru Power Ltd	2	-	-	11,500	2,593,244
41. Kansai Nerolac Transmission Ltd	1	-	-	28,250	10,191,094
42. La Opala Rg Ltd	2	16,623	4,632,132	-	-
43. Larsen Turbo Ltd	2	6,500	7,393,738	1,500	2,250,593
44. Lumax Automotive Systems Ltd	10	-	-	50	-
45. Maruti Suzuki India Ltd	5	-	-	900	5,436,519
46. Mercator Lines Ltd	1	-	-	15,000	418,769
47. Mideast Integrated Steels Ltd.	10	15,000	762,981	-	-
48. Muthoot Finance Ltd	10	22,500	9,466,468	-	-
49. Network18 Media & Inv. Ltd.	5	-	-	68,500	2,765,596
50. National Buildings Const. Corp. Ltd.	1	5,000	1,259,121	-	-
51. NIIT Technologies Ltd	10	-	-	17,000	7,212,348
52. ONGC Ltd	5	30,000	5,051,125	-	-
53. Orient Refractories Ltd.	1	2,500	399,261	-	-
54. Phoenix Lamps Ltd.	10	-	-	5,000	472,803
55. Pincon Spirit Ltd.	10	-	-	60,000	4,030,702
56. Power Grid Corporation Of India Ltd	10	51,000	10,111,348	10,500	1,984,579
57. Polyplex Corporation Ltd.	10	4,000	1,984,213	-	-
58. Reliance Capital Ltd.	10	60	-	60	-
59. Reliance Communicaion Ventures Ltd	5	13,463	1,228,100	-	-
60. Reliance Home Finance Ltd.	10	60	-	-	-
61. Reliance Nippon Life Asset Management Ltd.	10	33,000	8,686,388	-	-
62. Reliance Power Ltd.	10	300	-	300	-
63. Shipping Corporation of India Ltd.	10	-	-	50,000	3,448,441
64. Shree Cement Ltd.	10	450	7,546,914	-	-
65. Steel Authority of India Ltd.	10	8,000	673,872	125,000	5,697,735
66. Suprajit Engineering Ltd.	1	5,000	1,049,080	32,000	6,250,916
67. Sequent Scientific Ltd.	2	15,000	1,609,222	-	-
68. Tech Mahindra Ltd.	5	-	-	10,000	5,289,196
69. Triveni Turbine Ltd	1	-	-	37,000	4,418,539
70. Tube Investments of India Ltd.	1	20,900	5,211,219	-	-
71. TV18 Broadcast Ltd	2	-	-	160,000	6,612,470
72. TVS Srichakara Ltd.	10	100	322,715	1,140	2,740,998
73. Ultratech Cement Ltd.	10	650	2,709,079	500	1,578,688
74. VIP Industries Ltd	2	5,000	609,010	30,000	3,558,354
75. Wonderla Holidays Ltd	10	11,250	4,347,274	11,500	4,450,745
76. Zee Entertainment Enter. Ltd	1	14,000	7,245,494	-	-
TOTAL (B)		833,473	179,000,728	2,331,034	162,638,369

Scheme Name	As At 31.03.2018		(Amount in Rs.) As At 31.03.2017	
	Nos. of Shares/Units	Value	Nos. of Shares/Units	Value
MUTUAL FUND				
LIQUID/DEBT-GROWTH				
1. Birla Sun Life Cash Manager Fund - Growth	-	-	30,404	11,604,493
2. Birla Sun Life Floating Rate - Short Term - Growth - Direct Plan	22,578	5,200,000	-	-
3. DSP BlackRock Money Manager Fund - Regular Plan - Growth	-	-	5,335	11,238,866
4. DSP BlackRock Liquidity Fund - Direct Plan - Growth	201	496,242	-	-
5. Franklin India Savings Plus Fund - Retail Plan - Growth	-	-	227,469	6,585,609
6. Franklin US Opportunities Fund	-	-	258,894	4,270,298
7. HDFC Cash Management Fund-Savings Plan-Growth	-	-	1,590	4,990,336
8. HDFC Cash Management Fund - Treasury Advantage Plan - Retail - Growth	-	-	293,372	9,600,000
9. HDFC CM Savings -Direct Plan - Growth Option	1,773	6,326,948	-	-
10. HDFC Liquid Fund -Direct Plan - Growth Option	2,348	7,920,023	-	-
11. ICICI Prudential Flexible Income - Regular Plan - Growth	-	-	6,969	2,000,000
12. ICICI Prudential Liquid Plan - Regular Plan - Growth	4,885	1,029,660	9,764	1,942,996
13. Reliance Money manager Fund - Inst Option - Growth Plan	-	501	3,471	7,021,365
14. Reliance Liquid Fund - Growth Plan	-	-	216	755,564
15. Reliance Liquidity Fund - Direct Plan Growth Option - Growth	2,270	5,900,000	-	-
16. Templeton India Treasury Management Account - Direct - Growth	3,204	8,250,000	-	-
17. Templeton India Ultra-short Bond Fund - Growth	-	-	332,846	7,350,000
18. Uti-Floating Rate Fund - Short Term Plan (Growth Option)	956	2,707,667	-	-
19. UTI Treasury Advantage Fund Institutional Plan - Growth	1,765	3,960,002	3,733	6,578,932
20. Uti-Floating Rate Fund - Short Term Plan (Growth Option)	-	-	4,193	10,782,981
MUTUAL FUND-Gilt				
1. HDFC Gilt fund Long Term Growth	-	-	58,846	1,700,000
2. ICICI Prudential Gilt Fund Investment Growth	-	-	83,761	4,100,000.3
Reliance Gilt Securities Fund Institutional Plan Growth	-	-	368,866	6,750,000
4. Templeton India Govt. Sec. Fund-Long Term Plan Growth	-	-	126,979	4,250,000
5. UTI Gilt Advantage Long Term Growth	-	-	254,328	7,900,000
MUTUAL FUND-EQUITY				
1. Birla Sun Life Advantage Fund-Plan A (Dividend)	36,633	3,873,575	-	-
2. Birla Sun Life Banking and Financial Services Fund - Regular Plan - Dividend	102,947	1,789,376	-	-
3. Birla Sunlife Equity Fund Plan - Dividend	-	-	49,185	5,000,089
4. Birla Sun Life MNC Fund	-	-	10,850	1,499,980
5. Birla Sun Life Pure Value Fund- Dividend	86,420	2,674,707	121,005	3,000,000
6. DSP Blackrock Focus25 Fund- Dividend	-	-	221,140	2,700,000
7. DSP BlackRock Opportunities Fund - Direct Plan - Dividend	18,163	1,000,000	-	-
8. DSP BlackRock Opportunities Fund - Direct Plan - Growth	4,552	1,000,000	-	-
9. DSP Blackrock Opportunities Fund - Regular	129,521	3,635,017	36,934	1,000,000
10. DSP Blackrock Small and Mid Cap Fund Regular Plan-Dividend	-	-	137,637	2,800,000
11. DSP BlackRock Technology.com Fund - Regular Plan - Dividend	-	-	34,458	1,000,000
12. Franklin India High Growth Companies Fund	106,155	2,502,054	187,055	4,500,017
13. Franklin India Prima Plus-Dividend	10,834	399,159	141,514	4,850,000
14. Franklin India Smaller Companies Fund-Dividend	1	9	83,428	2,000,000
15. Franklin India Bluechip Fund - Dividend	-	-	55,381	2,000,000
16. HDFC Mid-Cap Opportunities Fund - Dividend	112,671	3,558,968	32,754	1,000,000
17. HDFC Capital Builder Fund -Direct Plan - Dividend Option	178,114	6,058,116	-	-
18. HDFC Capital Builder Fund -Direct Plan - Growth Option	4,812	1,500,000	-	-

19. HSBC India Opportunities Fund - Dividend	137,249	3,484,183	-	-
20. HSBC Midcap Equity Fund - Dividend	205,401	4,500,000	47,786	1,000,000
21. ICICI Prudential Banking and financial Services fund-Retail Fund	-	-	26,110	700,000
22. ICICI Prudential Value Discovery Fund-Dividend	-	-	97,731	2,850,000
23. Kotak Opportunities - Dividend	20,022	547,654	-	-
24. Kotak Select Focus Fund - Dividend	138,730	3,194,924	-	-
25. Kotak Select Focus Fund - Dividend - Direct	157,064	3,950,000	-	-
26. Kotak Select Focus Fund - Growth - Direct	29,191	1,000,000	-	-
27. MOST Focused 25 Fund- Regular Plan Dividend	266,301	4,528,180	69,306	1,000,000
28. MOST Focused Multicap 35- Direct Plan-Dividend Option	194,284	5,317,371	-	-
29. MOST Focused Multicap 35-Direct Plan-Growth Option	96,854	2,600,000	-	-
30.. Reliance Banking Fund - Dividend	-	-	66,052	2,500,000
31. Reliance Equity Opportunities Fund - Dividend	-	-	16,096	500,000
32. UTI Banking Sector Fund - Income Option	-	-	19,353	500,000
33. UTI Mid Cap Fund - Income Plan	13,730	750,033	40,146	1,500,000
Total (C)	2,089,629	99,654,369	3,534,552	151,321,487

Bonds

01. 01006 GOI 2021	50,000	5,910,720	50,000	5,910,720
02. 6.9% GOI 2019 (Central Govt. Loan 09009)	5,000	498,529	5,000	498,529
03. Central govt.Loan 07003 GOI	62,000	6,244,801	62,000	6,244,801
04. National Thermal Power Corporation - NCD	23,500	-	23,500	-
Total (D)	140,500	12,654,050	140,500	12,654,050

Total (A+B+C+D)		291,309,357		327,842,215
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Investment of shares has been taken as long term investments as the intention of management at the time of purchase is to hold them as long term. However it may happen, in benefit of company some investments may be sold in short term. But the intention of management was to hold the investment as long term in general, hence the same has been taken as long term investments.

Notes:

- Aggregate cost of unquoted investment is Rs. 210/-- (Previous year Rs 12,28,310/-)
- Aggregate cost of quoted investment is Rs. 179,000,728/- (Previous year Rs 162,638,369/-)
- Aggregate cost of mutual fund is Rs. 99,654,369/- (Previous year Rs. 151,321,487/-)
- Market value of quoted Investment is Rs. 172,086,840/- (Previous year Rs. 186,034,542/-)
- Market value of Mutual Fund is Rs. 98,281,116/- (Previous Year Rs. 166,824,833/-)
- No provision has been made for reduction if any in market value as the same is temporary in nature.
- * The company has been allotted 13,463 Nos of equity share of Reliance Communication Limited under scheme of arrangement between Reliance Communication Ltd & Systma Shyam Teleservices Ltd.

2.12 LONG TERM LOANS AND ADVANCES

Particulars	(Amount in Rs.)	
	As at 31.03.2018	As at 31.03.2017
Unsecured & considered good :-		
-MAT Credit	14,685,030	8,175,172
-Gratuity Trust	243,915	-
	14,928,945	8,175,172

2.13 TRADE RECEIVABLES

Particulars	(Amount in Rs.)	
	As at 31.03.2018	As at 31.03.2017
Trade Receivables :		
-for a period less than 6 month	7,086,869	-
-for a period more than 6 month	-	-
	7,086,869	-

2.14 CASH AND BANK BALANCES

Particulars	(Amount in Rs.)	
	As at 31.03.2018	As at 31.03.2017
a. Cash and cash equivalents		
i. Balances with banks		
In Current Account	957,375	799,767
In Special Account	-	-
ii. Cash on hand	8,060	1,845
iii. Other Bank balances		
a. In Unpaid Dividend Account	1,206,848	1,201,432
b. Short Term Bank deposits	12,500,000	12,500,000
(Less than 12 months)		
	14,672,283	14,503,044

2.15 SHORT TERM LOAN & ADVANCES

Particulars	(Amount in Rs.)	
	As at 31.03.2018	As at 31.03.2017
Loan & Advances Recoverable in Cash or in Kind or for value to be received and consider as good :		
Loan - Intercompany	13,056,824	7,069,250
Supplier advance	2,017,180	1,826,500
Staff advances	21,527	-
	15,095,531	8,895,750

2.16 OTHER CURRENT ASSETS

Particulars	(Amount in Rs.)	
	As at 31.03.2018	As at 31.03.2017
Prepaid Expenses	56,661	166,667
Security Deposits	33,600	33,600
Interest Accrued But Not received	401,650	422,183
Advance Tax/TDS (Net of provision)	1,136,871	322,677
Swacch Bharat Cess excess paid	-	150
Cenvat credit	-	59,507
Cenvat credit on Krishi Kalyan Cess	-	2,456
Commission and brokerage receivable	-	278,396
	1,628,782	1,285,636

2.17 REVENUE FROM OPERATIONS

Particulars	(Amount in Rs.)	
	For the year ended 31.03.2018	For the year ended 31.03.2017
Commission & Brokerage (Net)	30,952,500	2,286,747
Income from consultancy	-	1,200,000
Interest		
- Tax Free Interest on bonds	24,528	24,528
- Bonds	1,056,086	1,052,784
- On Loans (ICD)	2,035,519	2,545,476
- On Bank Deposits	<u>906,289</u>	<u>954,657</u>
Referral Fees	4,022,422	4,577,445
	<u>135,000</u>	-
	35,109,922	8,064,192

2.18 OTHER INCOME

Particulars	(Amount in Rs.)	
	For the year ended 31.03.2018	For the year ended 31.03.2017
Capital Gain - Long Term		
- STT	40,991,977	20,923,045
- Non STT	3,251,227	4,521,582
Capital Gain - Short Term		
- STT	30,060,976	15,930,165
- Non STT	<u>11,760,985</u>	<u>586,322</u>
Dividend received	86,065,165	41,961,114
Rent Received	8,023,312	5,625,573
Gratuity (Actuarial Gain)	116,600	349,800
Interest on Income Tax Refund	243,915	-
Miscellaneous Income	25,545	-
	<u>22,815</u>	<u>303</u>
	94,497,352	47,936,790

2.19 EMPLOYEES BENEFIT EXPENSES

Particulars	(Amount in Rs.)	
	For the year ended 31.03.2018	For the year ended 31.03.2017
# Salary, Wages & Other Benefits	4,214,817	2,783,033
Contribution to Provident Fund & Other Funds	143,938	78,816
Staff Welfare	136,651	139,128
Gratuity	<u>2,594</u>	<u>51,465</u>
	4,498,000	3,052,442

A sum of Rs. 1,08,345 being 25% salary of an accountant is apportioned toward expenditure for earning exempt income.

2.20 FINANCE COSTS

Particulars	(Amount in Rs.)	
	For the year ended 31.03.2018	For the year ended 31.03.2017
Bank charges	684	-
Interest paid	<u>1,133,100</u>	<u>1,433</u>
	1,133,784	1,433

2.21 ADMINISTRATIVE & OTHER EXPENSES

Particulars	(Amount in Rs.)	
	For the year ended 31.03.2018	For the year ended 31.03.2017
Professional Charges	2,714,632	713,375
CSR Donations	-	960,000
STT Charges	634,981	469,924
Listing fee	251,250	229,000
Rent paid	402,165	134,200
Travelling & Conveyance	39,432	112,669
AGM Expenses	174,390	165,079
Printing & Stationery	66,128	76,935
Repairs & Maintenance	398,626	67,705
Advertisement	244,034	63,413
Payment to Auditors :		
-Statutory Audit Fee	21,000	21,000
-Tax Audit Fee	9,000	9,000
Secretarial Audit Fee	10,000	10,050
Internal Audit fee	10,000	10,000
Office Maintenance Exp.	66,464	41,988
Postage & Telegram	31,282	17,200
Telephone & Internet Expenses	25,229	21,099
Electricity Expense	5,659	-
Other Expenses	585,802	317,397
	5,690,074	3,440,034

2.22 RELATED PARTY DISCLOSURE

Following disclosures are made as per Accounting Standard 18, regarding “Related Party Disclosures” as notified by the Companies Accounting Standard Rules (2016):

(A) List of Related Parties**(i) Wholly Owned Subsidiary:**

Nil

(ii) Fellow Subsidiary:

Nil

(iii) Enterprise for which Reporting Enterprise is an Associate:

Nil

(iv) Individual having significant influence or control

Mr Rakesh K Jain

Ms Purna Jain

(v) Relatives of individual having significant influence or control

Ms Aridhi Jain

(vi) Key Management Personnel:

Mr. Gauri Shanker Pandey (Whole Time Director)

Ms. Richa Arora (Company Secretary) and became Whole Time Director effective from 29.05.2017

Ms. Swarna Gowri S (Chief Financial Officer Resigned Effective from 21.10.2017)

Mr. Mayank Agarwal (Chief Financial Officer appointed Effective from 21.10.2017)

(vii) List of companies/enterprises, in which any of person (including any of relative), listed in (iv),(v) & (vi) have significant influence or control

1. Frontline Capital Services Limited
2. FSL Software Technologies Limited
3. Hope Consultants Limited
4. Wonder Buildtech Private Limited
5. Petal Consultants Private Limited
6. Association of National Exchange Members of India (ceased to be director w.e.f 10.06.2017)
7. FSL Consultants Private Limited
8. Jain Singhal & Associates LLP (Covered from Jain Singhal & Associates (Partnership firm) w.e.f 25.04.2017)
9. JSA Advisors LLP
10. Front Investments & Financial Consultants LLP
11. Petal Resorts Private Limited
12. Vardhman Electricals Private Limited

(B) Details of transactions relating to persons referred in item A above

(Amount in Rs.)				
Nature of transactions	Relatives of individual having significant influence or control	Key managerial personnel	Transaction with the companies/ enterprises have	Total A+B+C
	(A)	(B)	(C)	
1. Rent Received from Ms Aridhi Jain				
- Current Year	116,000	-	-	116,000
- Previous Year	(349,800)	-	-	(349,800)
2. Amount paid to key managerial personnel as remuneration, conveyance, etc.				
- Current Year (Mr G S Pandey)	-	722,400	-	722,400
- Current Year (Ms. Richa Arora)	-	417,437	-	417,437
- Current Year (Ms. Swarna Gowri S)	-	319,168	-	319,168
- Current Year (Mr. Mayank Agarwal)	-	181,547	-	181,547
- Previous Year (Mr G S Pandey)	-	(643,318)	-	(643,318)
- Previous Year (Other KMP)	-	(739,810)	-	(739,810)
3. Rent paid				
- Current Year	-	-	402,165	402,165
- Previous Year	-	-	(134,200)	(134,200)
4. Brokerage paid to Frontline Capital Services Limited				
- Current Year	-	-	2,204,937	2,204,937
- Previous Year	-	-	(1,558,841)	(1,558,841)
	116,000	1,640,552	2,607,102	4,363,654
	(349,800)	(1,383,128)	(1,693,041)	(3,425,969)

Nature of transactions	Relatives of individual having significant influence or control	Key managerial personnel	Transaction with the companies/ enterprises have	Total A+B+C
------------------------	---	--------------------------	--	-------------

Balance outstanding as on 31.03.2018**Security Deposit - Asset**

- Current Year	-	-	-	-
- Previous Year	(159,000)	-	-	(159,000)

Remuneration Payable

- Current Year	-	127,013	-	127,013
- Previous Year	-	(131,624)	-	(131,624)

Amount receivable from Brokers

- Current Year	-	-	-	-
- Previous Year	-	-	-	-

2.23 QUANTITATIVE DETAILS

The Company is engaged in financial consultancy, distribution of financial products and investments in financial securities. As the company is neither a manufacturing company nor a trading company therefore the requirement of Quantative Detail of Purchases and Sales are not applicable.

2.24 DUES TO MICRO SMALL AND MEDIUM ENTERPRISES

The company has no dues to micro and small enterprises during the year ended 31 March, 2018 and March 31, 2017.

2.25 RETIREMENT BENEFITS**A) GRATUITY**

The employees' Group Gratuity Scheme is managed by Life Insurance Corporation of India. The present value of obligation is determined based on actuarial valuation using the Projected Unit credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

Particulars	Percentage	Current Year Amount	Percentage	Previous Year Amount
Actuarial assumptions				
Discount Rate Per Annum	8%		8%	
Salary Escalation	7%		6%	
Reconciliation of opening and closing balances of obligation				
Obligation at beginning of the year		559,065		552,092
Current Service Cost		39,831		28,771
Interest Cost		6,685		43,610
Actuarial (gain) /loss		2,518		(65,408)
Less: Benefits paid		(568,269)		-
Obligation at the end of the year		39,830		559,065
Reconciliation of opening and closing balances of fair value assets				
Fair value of plan assets at beginning of the year		805,574		711,964
Employer contribution		-		50,000
Less: Benefits Paid		(568,269)		-
Add: Expected return on plan assets		46,440		43,610
Fair value of plan assets at the end of the year		283,745		805,574
Amount Recognized in Balance Sheet				
Present value of obligation		39,830		559,065
Fair value of plan assets		283,745		805,574
Amount recognized in Balance Sheet		(243,915)		(246,509)
Gratuity cost for the period				
Current Service Cost		39,831		28,771
Interest Cost		6,685		43,610
Expected return on plan assets		(46,440)		(43,610)
Actuarial (gain) /loss		2,518		(65,408)
Net Gratuity cost		2,594		(36,637)

B) Leave accumulated during the year lapse on the balance sheet date and thus no provision for leave encashment is made.

C) Contribution to provident fund is made monthly at predetermined rates to the appropriate authorities.

Note:

- The company has recognised the gratuity income (actuarial gain) of Rs. 2,43,915/- & gratuity expenses of Rs. 2,594/- in FY 2017-18.
- The company has recognised the excess of fair value of plan assets over present value of obligation of Rs.2,43,915/- as an assets in FY 17-18 and Gratuity Payable of Rs. 2,594/- as an liability in FY 2017-18.

2.26 DEFERRED TAX BALANCES

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
a. Deferred Tax Liabilities (Net)		
(i) Depreciation	446,214	848,816
(ii) Others	-	-
	446,214	848,816
b. Deferred Tax Assets (Net)		
(i) Depreciation	-	-
(ii) Others (Capital loss)	1,964,711	2,326,318
	1,518,497	1,477,502

2.27 SEGMENT REPORTING

The company operates in one geographical segment, i.e. India and has identified two business segments i.e. Segment-I which is Consultancy Commission & Brokerage and Segment-II Investments in Bonds, Fixed Deposits & Loans & Advances. Segment Profit & Loss is measured on the basis of Operating Profit or Loss of each respective segment. Segment Assets and Liabilities have been apportioned similarly

	(Amount in Rs.)			
	Service, Commission & Brokerage	Investment in Bonds/ FDR/Loans & Advances	Unallocated	Total
Segment Revenue (A)				
- Current Year	31,087,500	4,022,422	94,497,353	129,607,274
- Previous Year	(3,486,747)	(4,577,445)	(47,936,791)	(56,000,982)
Segment expense (B)				
- Current Year	5,190,089	5,070,314	1,061,455	11,321,858
- Previous Year	(2,551,640)	(2,484,974)	(1,457,295)	(6,493,909)
Depreciation				
- Current Year	781,710	781,710	529,302	2,092,723
- Previous Year	(81,760)	(81,760)	(178,130)	(341,650)
Segment Result (A) - (B)				
- Current Year	25,115,701	(1,829,602)	92,906,596	116,192,693
- Previous Year	(853,347)	(2,010,711)	(46,301,366)	(49,165,424)
Segment Assets (A)				
- Current Year	36,442,098	67,911,092	371,264,731	475,617,921
- Previous Year	(48,616,306)	(80,754,613)	(329,652,145)	(459,023,063)
Segment Liabilities (B)				
- Current Year	8,965,351	7,256,602	4,779,856	21,001,809
- Previous Year	(12,453,510)	(7,845,447)	(2,112,333)	(22,411,291)
Total (A) - (B)				
- Current Year	27,476,746	60,654,490	366,484,874	454,616,111
- Previous Year	(36,162,796)	(72,909,166)	(327,539,812)	(436,611,772)
Capital Expenditure				
- Current Year	17,313,317	17,313,317	-	34,626,634
- Previous Year	(14,797,603)	(14,797,603)	-	(29,595,206)

2.28 EARNING PER SHARE

2.28.1 The Earning Per Share (EPS) is calculated as follows:

Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
(i) Profit attributable to Equity Share Holders	99,640,581	44,996,863
(ii) # Weighted average number of equity shares for computations of Basic and Diluted Earning per share	7,052,182	7,186,689
(iii) Nominal Value of Equity Share	10	10
(iv) EPS- Basic and Diluted	14.13	6.26

2.28.2 The basic & diluted EPS as on 31.03.2018 has been computed on reduced weighted average share capital after buy back.

2.29 Payment to Auditor

	(Amount in Rs.)	
Particulars	For the year ended 31.03.2018	For the year ended 31.03.2017
A) Auditor		
(i) Statutory Audit Fees	21,000	21,000
(ii) Tax Audit Fees	9,000	9,000
	30,000	30,000

2.30 Capital & Other Commitments

Estimated amount of contracts remaining to be executed on Capital account and not provided for (net of advances) Rs. 7.38 Lakhs as on 31st March 2018 (Previous Year - Rs. 84.88 lakhs).

2.31 Foreign Exchange Earning and Expenditure

The company has not made any foreign exchange transaction during the year.

2.32 Corporate Social Responsibility

The Company shall utilize the available funds on long term projects such as education, old age home , orphanage etc (as specified under schedule VII of the Companies Act, 2013 for CSR Activities). The Company is under process of finding suitable options and finalization of the implementation plan for the same.

In view of the above, the company is preserving the funds so that as and when adequate and appropriate option is available to the company , it will utilize them for CSR activities. Hence the Company has decided not to spend the amount on CSR during the year under review.

FOR AND ON BEHALF OF THE BOARD

“AS PER OUR REPORT ATTACHED OF EVEN DATE”

For M/s WALECHA INDER & ASSOCIATES

Chartered Accountants

Firm's Registration Number : 014205N

(RAKESH K. JAIN)

Director

DIN : 00050524

(GAURI SHANKER PANDEY)

Whole Time Director

DIN : 00050614

(Walecha Inder Jeet)

Partner

M.No: 093694

(CS RICHA ARORA)

Company Secretary

M.No. :-42906

(CA MAYANK AGARWAL)

Chief Financial Officer

M.No.-544992

Place : Noida

Date : 28/05/2018

2.33. [Schedule to the Balance sheet of a Non Banking Financial company as required in terms of paragraph 13 of Non Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007]

LIABILITIES SIDE

1	Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:	Amount Outstanding	Amount Overdue
	a. Debentures (other than falling within the meaning of public deposits)		
	- Secured	-	-
	- Unsecured	-	-
	b. Deferred Credits (Note No.1)	11,151,256	-
	c. Term Loans	-	-
	d. Inter-corporate loans and borrowings	-	-
	e. Commercial Paper	-	-
	f. Public Deposits (Refer note 2 below)	-	-
	g. Other Loans – Cash credit	-	-
2	Break up of 1(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid);	Amount Outstanding	Amount Overdue
	a. In the form of unsecured debentures	-	-
	b. In the form of partly secured debentures i.e debentures where there is a shortfall in the value of security	-	-
	c. Other public deposits	-	-

ASSET SIDE

3	Break up of Loans and Advances including bills receivables [other than those included in (4) below]:	Amount Outstanding
a	Secured	-
b	Unsecured	13,056,824
4	Break up of Leased Assets and stocks on hire and other assets counting towards AFC activities	Amount Outstanding
i.	Lease Assets including lease rental under sundry debtors:	
a.	Finance Lease	-
b.	Operating Lease	-
ii.	Stocks on hire including hire charges under sundry debtors:	
a.	Assets on hire	-
b.	Repossessed Assets	-
iii.	Other Loans counting towards AFC activities:	
a.	Loans where assets have been repossessed	-
b.	Loans other than (a) above	-
5	Break up of Investments:	Amounts
	Current Investments	
1	Quoted	
i.	Shares – Equity	-
	– Preference	-
ii.	Debentures and Bonds	-
iii.	Units of mutual funds	-
iv.	Government Securities	-
v.	Others	-
2	Unquoted	
i.	Share – Equity	-
	– Preference	-
ii.	Debentures and Bonds	-
iii.	Units of mutual funds	-
iv.	Government Securities	-
v.	Others	-
	Long Term Investments	
1	Quoted	
i.	Shares – Equity	179,000,728
	– Preference	-
ii.	Debentures and Bonds	12,654,050
iii.	Units of mutual funds	99,654,369
iv.	Government Securities	-
v.	Others	-
2	Unquoted	
i.	Share – Equity	210
	– Preference	-
ii.	Debentures and Bonds	-
iii.	Units of mutual funds	-
iv.	Government Securities	-
v.	Others	-

6	Borrower group wise classification of all leased assets, stock on hire and loans and advances (Refer note 3 below):				
	Category		Amount net of provision		
			Secured	Unsecured	Total
	1	Related Parties**	-	-	-
	a.	Subsidiaries	-	-	-
	b.	Companies in the same group	-	-	-
	c.	Other than related parties	-	13,056,824	13,056,824
	Total	-	13,056,824	13,056,824	
7	Investor group wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted): (Refer note 4 below)				
	Category		Market Value / Break up of fair value or NAV	Book Value (Net of Provisions)	
	1	Related Parties**			
	a.	Subsidiaries	-	-	
	b.	Companies in the same group	-	-	
	c.	Other related parties	-	-	
	2	Other than related parties	283,022,006	291,309,357	
		Total	283,022,006	291,309,357	
	** As per Accounting Standard issued by the Institute of Chartered Accountants of India ('ICAI').				

8	Other Information		Amount
	i.	Gross Non-Performing Assets	
	a.	Related Parties	-
	b.	Other than related parties	-
	ii.	Net Non-Performing Assets	
	a.	Related Parties	-
	b.	Other than related parties	-
	iii.	Assets acquired in satisfaction of debt	-

Notes:

- Amount is due to Greater Noida Authority for purchase of lease hold land of 90 Year.
- As defined in paragraph 2(1)(xii) of the Non- Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998
- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998
- All Accounting Standards and Guidance Notes issued by the Institute of Chartered Accountants of India ('ICAI') are applicable including for calculation of investments and other assets as also assets acquired in satisfaction of debts. However, market value in respect of quoted investments and break up / fair value / NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term of current in category 5 above.

FOR AND ON BEHALF OF THE BOARD**“AS PER OUR REPORT ATTACHED OF EVEN DATE”****For M/s Walecha Inder & Associates****Chartered Accountants****Firm's Registration Number- 014205N**

(RAKESH K. JAIN)
Director
DIN : 00050524

(GAURI SHANKER PANDEY)
Director
DIN : 00050614

(Walecha Inder Jeet)
Partner
M.No: 093694

(CS RICHA ARORA)
Company Secretary
M.No. :-42906

(CA MAYANK AGARWAL)
Chief Financial Officer
M.No. : 544992

Place : Noida
Date: 28/05/2018

SHAREHOLDER INFORMATION FORM

(For use by shareholders holding Shares in Physical mode only)

To,
The Company Secretary
M/s Frontline Securities Limited
M-6, M-Block Market, Greater Kailash -II
New Delhi-110048

Place:.....
Date :.....

Dear Sirs,

I hereby request you to update your records as per information given below:

Members are requested to provide the below mentioned information:

1. Folio No.:.....
2. No.of Shares:.....
{Folio No. as given in equity share certificate(s)}
3. Member's Name: Shri/Smt./Kum.:.....
4. Member's Address:.....
.....
5. Email ID:.....

I hereby declare that the above particulars given above are correct and complete.

Signature of the First Named / Sole Member

NOTE:

1. Please complete the form and send it to Company at the above address if you are holding share certificate(s) in physical form.
2. In case your shares are in Dematerialized form, inform/update your information directly with the Depository Participant (DP) with whom you are maintaining Demat Account and not to the Company or its Registrar.
3. In case of more than one folio, please complete the details on separate sheets.

3rd fold

M/s Frontline Securities Limited
M-6, M-Block Market, Greater Kailash -II
NewDelhi-110048

2nd fold

1st fold

Sender's Name and Address

ECS MANDATE FORM

(For use by shareholders holding Shares in Physical mode only)

To,

The Company Secretary

M/s Frontline Securities Limited

M-6, M-Block Market, Greater Kailash -II

New Delhi-110048

Place :

Date :

Dear Sirs,

I hereby consent to have the amount of Dividend on my equity shares credited through the Electronic Clearing System (Credit Clearing) - (ECS). The particulars are:

1. Folio No.:

{Folio No. given in equity share certificate (s)}

2. Member's Name: Shri/Smt./Kum.:

3. Member's Address:

4. Particulars of the Bank Account:

Bank Name:

Branch Name:

Mention the 9-digit code number of the bank and branch appearing on the MICR

Cheque issued by the bank:

(Please attach a photocopy of a Cheque or a blank cancelled Cheque issued by your bank for verifying the accuracy of the code number)

Account type (Please) Saving Current Cash Credit

Account number (as appearing on the Cheque book:)

I hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information for any reasons, I would not hold the Company responsible. I also undertake to advise changes, if any, in the particulars of my account to facilitate updation of records for purposes of credit of Dividend amount through ECS.

Signature of the First Named /Sole Member

- Note:
1. Please complete the form and send it to Register & Share Transfer Agent at the above address if you are holding share certificate(s) in physical form, latest by, September 18th, 2018.
 2. In case your share are in Dematerialized form, in form/update your information directly with the Depository Participant (DP) with whom you are maintaining Demat Account and not to the Company or its Registrar.
 3. In case of more than one folio, please complete the details on separate sheets.
 4. Subject to the rules and regulations of the Scheme of ECS of the Reserve Bank of India from time to time.

1st fold

3rd fold

2nd fold

Sender's Name and Address

NO GIFTS WILL BE DISTRIBUTED AT THE AGM

Form No. MGT-11

PROXY FORM

[Pursuant to section 105 (6) of the Companies Act, 2013 and Rule 19 (3) of the Companies

(Management and Administration) Rules, 2014]

CIN: L65100DL1994PLC058837**Name of the Company:** Frontline Securities Limited**Registered Office:** M-6, IIInd Floor M-Block Market, Greater Kailash-II, New Delhi-110048

I/We, being the member (s) of.....shares of the above named company,

here by appoint

1. Name :.....
Address:.....
E-mail Id:.....
Signature :, or failing him /he
2. Name :.....
Address:.....
E-mail Id:.....
Signature :, or failing him /her
3. Name :.....
Address:.....
E-mail Id:.....
Signature :, or failing him /her

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24th Annual General Meeting of the company, to be held on the 25th September, 2018 at 9:45 a.m. at PHD House Laxmipat Singhaniya Auditorium, New Delhi and at any adjournment there of in respect of such resolutions as are indicated below:

Resolution No.

- 1 Adoption of Audited Financial Statements for the financial year ended March 31, 2018
- 2 Declaration of dividend on the equity shares for the financial year ended March 31, 2018
- 3 Re-appointment of Ms. Sarabjeet Kaur, Director, who retires by rotation
- 4 Ratification of Appointment of M/s Walecha Inder & Associates as Statutory Auditor.
- 5 Sub-Division of equity shares from the Face Value of Rs. 10/- to Face Value of Rs. 5/- per share.
- 6 Amendment to Clause V of the Memorandum of Association of the Company
- 7 Alteration of Objects Clauses in the Memorandum of Association of the Company
- 8 Re- Appointment of Mr. Gauri Shanker Pandey as the Whole time Director of the Company
- 9 Increase in Remuneration payable to Ms. Richa Arora, Whole Time Director & Company Secretary of the Company.

1
Revenue
stamp

Signed this.....day of..... 2018

Signature of share holder..... Signature of Proxy holder(s)

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

**NO GIFTS WILL BE DISTRIBUTED AT THE AGM
FRONTLINE SECURITIES LIMITED**

Registered Office : M-6, M Block Market, Greater Kailash-II, New Delhi - 110048

ATTENDANCE SLIP

I hereby record my presence at the 24th Annual General Meeting held at PHD House, Laxmipat Singhanian Auditorium, New Delhi on Tuesday, the 25th September, 2018 at 9.45 a.m.

Name of the Share holder(s).....(In Block Letter)

Father's / Husband's Name.....

Name of the Proxy or Company Representative.....(In Block Letters)

*DPID..... *Client Id.....

Regd. Folio No..... No. of Shares held.....

Signature of the Shareholder's or Proxy of Company Representative

.....

Note: *Members/Proxies are requested to bring the duly filled in Attendance slip to the Annual General Meeting to be handed over at the meeting.*

**Applicable for investors holding shares in electronic form.*

Route Map for venue of AGM

