

17th

**ANNUAL  
REPORT**  

---

**2010-2011**



**FRONTLINE**  
SECURITIES LIMITED



## **CORPORATE INFORMATION**

|                                       |   |
|---------------------------------------|---|
| <b>Board of Directors</b>             | Mr. Rakesh K. Jain, Chairman<br>Dr. C.S. Bedi<br>Mr. Atul K. Jain<br>Mr. Arun K. Jain<br>Mr. Baljit Singh Bedi<br>Mrs. Sarabjeet Kaur |
| <b>Company Secretary</b>              | Mrs. Sarabjeet Kaur   |
| <b>Auditors</b>                       | J. Jain & Company<br>Chartered Accountants<br>M-19 B, Malviya Nagar<br>New Delhi-110017   |
| <b>Registrar &amp; Transfer Agent</b> | Link Intime India Private Limited<br>A-40, 2nd Floor<br>Naraina Industrial Area<br>Phase-II<br>New Delhi-110028                       |
| <b>Bankers</b>                        | HDFC Bank, New Delhi  |
| <b>Registered Office</b>              | M-6, M-Block Market<br>Greater Kailash-II,<br>New Delhi - 110 048   |
| <b>Branch Office</b>                  | B-22, Sector-4<br>Noida-201301  |
| <b>Website</b>                        | <a href="http://www.fslindia.com">www.fslindia.com</a>  |

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## NOTICE OF AGM

Notice is hereby given that the Seventeenth Annual General Meeting of the Company will be held on Monday, September 05, 2011 at 9.45 a.m. at Air Force Auditorium, Subroto Park, New Delhi to transact the following business: -

### ORDINARY BUSINESS

- 1) To receive, consider and adopt the Audited Balance Sheet as at March 31, 2011 and Profit and Loss Account for the year ended on that date and the Reports of Board of Directors and Auditors thereon.
- 2) To declare dividend on the equity shares for the financial year ended March 31, 2011.
- 3) To appoint a Director in place of Dr. C.S. Bedi, who retires by rotation, and being eligible offers himself for reappointment.
- 4) To appoint a Director in place of Mr. Arun K. Jain, who retires by rotation, and being eligible offers himself for reappointment.
- 5) To appoint M/s J. Jain & Company, Chartered Accountants (ICAI Regn No. 83450) as the Statutory Auditors of the Company to hold office from the conclusion of this 17<sup>th</sup> Annual General Meeting until the conclusion of the 18<sup>th</sup> Annual General Meeting of the Company and to authorize the Board of Directors to fix the remuneration of Auditors.

### SPECIAL BUSINESS

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

**“RESOLVED** that pursuant to provisions of Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, approval of the members be and is hereby accorded to the increase in remuneration payable to Mrs. Sarabjeet Kaur, Whole-Time Director & Company Secretary w.e.f. April 01, 2011, on the terms and conditions as set out in the explanatory statement attached to the Notice of this Annual General Meeting.”

By order of the Board  
For **FRONTLINE SECURITIES LIMITED**

Place : Noida  
Date : May 28, 2011

**Sarabjeet Kaur**  
Director & Company Secretary

**NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD HOWEVER BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.
2. Corporate members intending to send their authorised 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 their meeting.
3. An Explanatory statement pursuant to section 173(2) of the Companies Act, 1956, relating to the Special Business to be transacted at the meeting is annexed hereto.
4. At the ensuing Annual General Meeting, Dr. C.S. Bedi and Mr. Arun K. Jain retire by rotation and being eligible offer themselves for reappointment. The information or details to be provided in terms of Clause 49 of the Listing Agreement is provided in the Report on Corporate Governance available elsewhere in this Report. The Board of Directors of the Company commends the said appointments.
5. M/s Link Intime India Private Limited, A-40, 2<sup>nd</sup> Floor, Naraina Industrial Area, Phase-II, New Delhi-110028 is the Registrar and Share Transfer Agent for physical shares of the Company. Intime is also the depository interface of the Company with both NSDL and CDSL.
6. 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).
7. The Register of Members and Share Transfer Books of the Company will remain closed from **Tuesday, August 30, 2011**, to **Monday, September 05, 2011**, (both days inclusive).

8. Dividend on equity shares @7.5% on the paid-up equity share capital i.e. Rs. 0.75 per equity share as recommended by the Board of Directors, if declared by the shareholders at the 17<sup>th</sup> Annual General Meeting, will be paid to those shareholders whose names appear on the Register of Members of the Company as on August 30, 2011 and also to the Beneficial Owners of equity shares held in electronic form as per the details furnished by the Depositories for this purpose as on the close of business hours on August 29, 2011.
9. Members / proxies should bring the attendance slips duly filled in and signed for attending the meeting.
10. 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. till 1 p.m. on all working days at the registered office of the Company.
11. The Company has transferred unclaimed amounts of dividends paid upto March 31, 2000, to the General Revenue Account / Investor Education and Protection Fund of the Central Government as required under Sections 205A and 205C of the Companies Act, 1956. Members are therefore requested to encash their dividend warrants immediately for 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.
12. Payment of Dividend through ECS:  
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:
  - a. 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, August 30, 2011, to the Company Secretary at M-6, M-Block Market Greater Kailash-II, New Delhi-110048.
  - b. Shareholders holding shares in demat form are advised to inform the particulars of their bank account to their respective depository participants.
13. Members who hold shares in physical form may nominate a person in respect of all shares held by them whether singly or jointly. Members who hold shares

singly are advised to avail of the nomination facility by filing Form 2B in their own interest. Blank forms will be provided by the Company on request. Members holding shares in demat form may contact their respective Depository Participants for recording of nomination.

14. To provide speedy redressal of investor grievances the Company has designated an e-mail ID viz., [investor@fsltechnologies.com](mailto:investor@fsltechnologies.com) exclusively for registering complaints/grievances by investors.
15. Any queries relating to Accounts must be sent to the company at least 10 days before the date of the Annual General Meeting.
16. For effective communication, shareholders are requested to update their details as to address and email ID. For shareholders holding shares in physical form, the same may be provided in the '**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).

By order of the Board  
For **FRONTLINE SECURITIES LIMITED**

Place : Noida  
Date : May 28, 2011

**Sarabjeet Kaur**  
Whole-Time Director & Company Secretary



## EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

### Item No.6

The Board of Directors have in their Board Meeting held on May 28, 2011 considered and approved the increase in remuneration payable to Mrs. Sarabjeet Kaur, Whole Time Director & Company Secretary w.e.f. April 01, 2011. The details of the same are given below:

#### Salary Structure

| Components                   | Amount per month (in Rs.) |
|------------------------------|---------------------------|
| Basic                        | 14,500                    |
| HRA                          | 14,500                    |
| Conveyance Allowance         | 800                       |
| Special Allowance            | 5785                      |
| Medical Reimbursement        | 1,250                     |
| <b>Gross Salary</b>          | <b>36,835</b>             |
| PF(Employer's Contribution)  | 1740                      |
| Gratuity                     | 725                       |
| Bonus                        | 700                       |
| <b>Cost to Company (CTC)</b> | <b>40,000</b>             |

**Other Entitlements:** All other benefits and entitlements, if any as per policy of the Company.

In view of the provisions of section 269 of the Companies Act, 1956 read with Schedule XIII of the Companies Act, the Board seeks the consent of the shareholders by way of ordinary resolution.

The terms of remuneration, as stated above may be treated as an abstract of terms of remuneration under section 302 of the Companies Act, 1956.

Except Mrs. Sarabjeet Kaur, no other director of the Company is in any way concerned or interested in the proposed resolution.

By order of the Board  
For **FRONTLINE SECURITIES LIMITED**

Place : Noida  
Date : May 28, 2011

**Sarabjeet Kaur**  
Whole-Time Director & Company Secretary

## **DIRECTOR'S REPORT**

To the Members,

The Directors take pleasure in presenting their Seventeenth Annual Report and Audited Accounts for the year ended March 31, 2011. Briefly stated the financial results of operations for the year ended March 31, 2011 are: -

### **FINANCIAL RESULTS**

(Rs. In Lakhs)

| <b>Finances:</b>                                   | <b>2010-2011</b> | <b>2009-2010</b> |
|--|------------------|------------------|
| Gross Income                                       | 487.97           | 533.09           |
| Profit before Depreciation & Taxation              | 436.26           | 454.42           |
| Add:   |                  |                  |
| Excess depreciation charged in previous year       | -                | 2.10             |
| Less:  |                  |                  |
| a) Depreciation for the year                       | (3.78)           | (3.90)           |
| b) Provision for Tax                               |                  |                  |
| - Current Income Tax                               | (82.64)          | (74.03)          |
| - Deferred Income Tax                              | 4.08             | (28.39)          |
| - STT Charges                                      | (3.29)           | (1.77)           |
| Add:   |                  |                  |
| a) Mat Credit C/f                                  | 6.31             | 8.21             |
| <b>Profit for the year after tax</b>               | <b>356.94</b>    | <b>356.64</b>    |
| Provision for contingences against standard assets | <b>(2.45)</b>    | -                |
| Amount Transferred to RBI Reserve Fund             | (70.90)          | (71.33)          |
| Profit after transfer to RBI Reserve Fund          | <b>283.59</b>    | <b>285.31</b>    |