

The value of achievement lies in achieving...

23rd ANNUAL REPORT

2016-2017



FRONTLINE
SECURITIES LIMITED

23rd

**ANNUAL
REPORT**

2016-2017



FRONTLINE
SECURITIES LIMITED

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 | Woman Director |
| • Ms. Richa Arora | Company Secretary & Whole Time Director |

KEY MANAGERIAL PERSONNEL:

- | | |
|----------------------------|--|
| • Mr. Gauri Shanker Pandey | Whole Time Director |
| • Ms. Richa Arora | Company Secretary , Compliance officer and Whole Time Director |
| • CA. Swarna Gowri S. | Chief Financial Officer |

CIN:

L74899DL1994PLC058837

REGISTERED OFFICE:

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

BRANCH OFFICE:

B-22, Sector-4, Noida-201301

Tel: +91-120-2534066,

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

23rd Annual General Meeting
09:45a.m, Wednesday, August 9th, 2017
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 23rd (Twenty Third) Annual General Meeting of **Frontline Securities Limited** for the Financial Year 2016-17 will be held on Wednesday, the 9th day of August, 2017 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, 2017 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 2017.
- 3) To appoint a Director in place of Mr. Rakesh K. Jain (holding DIN-00050524), who retires by rotation, and being eligible offers himself for re-appointment.

4) Regularisation and Appointment of Statutory Auditors

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(8) and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), M/s. Walecha Inder & Associates, Chartered Accountants, Delhi, (Firm Registration No. 014205N) be and are hereby appointed as Statutory Auditors of the Company to fill the casual vacancy caused by the resignation of M/s. J. Jain & Company, Chartered Accountant to hold the office till the conclusion of ensuing Annual General Meeting on such remuneration as may be fixed by the Board of Directors in consultation with them.

RESOLVED FURTHER THAT pursuant to the provisions of Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, including any statutory modification(s) or re-enactment(s) thereof for the time being in force, M/s Walecha Inder & Associates, Chartered Accountants (ICAI Firm Registration No. 014205N), be and are hereby appointed as the Statutory Auditors of the Company for the term of Five years commencing from the company's financial year 01st 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 (Subject to the ratification of their appointment by the Members at every intervening Annual General Meeting) at such remuneration plus service tax, out-of-pocket, traveling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors.

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

SPECIAL BUSINESS

5) Review of salary of Mr. Gauri Shanker Pandey, Whole Time Director of the Company.

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

"RESOLVED THAT pursuant the 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 revise the remuneration payable to Mr. Gauri Shanker Pandey, Whole Time Director w.e.f April 01st, 2017 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 or Key Managerial Personnel of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as may be necessary, proper or desirable to give effect to the resolution".

6. Appointment of Ms. Richa Arora as Whole Time Director of the Company

To Consider and, if thought fit, to pass with or without modification(s), the following resolution as Ordinary resolution

"RESOLVED THAT Ms. Richa Arora, who was appointed as an Additional Director w.e.f. 29th May, 2017 in terms of Section 161 of the Companies Act, 2013 and Article 101 of the Articles of Association of the Company, to hold office till the conclusion of the ensuing General Meeting, be and is hereby appointed as Director of the Company.

RESOLVED FURTHER THAT pursuant to provision of Section 203 & 196 and other applicable provisions if any, of the Companies Act, 2013, the approval of Members be and is hereby accorded to the appointment of Ms. Richa Arora as a Whole Time Director of the Company w.e.f. 29th May, 2017 for the period of 5 years.

RESOLVED FURTHER THAT if appointed, the term of office of Ms. Richa Arora shall not be liable to retire by rotation.

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

7. To consider and if thought fit, to pass with or without modification(s), the following resolution as Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 20 of Companies Act, 2013 and relevant rules framed thereunder and other applicable provisions, if any, of the said Act, whereby a document may be served on any shareholder(s) by the Company by sending it to him/her by speed post or by registered post or by courier or by delivery to his/her address or by such electronic or other mode as may be prescribed, the consent of the Shareholders of the Company be and is hereby accorded to charge from the member such fees in advance equivalent to estimated actual expenses of delivery of the documents delivered through registered post, speed post or by courier service or such other mode of delivery of documents pursuant to any request by the shareholder for delivery of documents, through a particular mode of service mentioned above provided such request along with requisite fees has been duly received by the company atleast 10 days in advance of dispatch of documents by the company to the shareholder.

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

8. **To consider and if thought fit, to pass, with or without modification, as may be deemed fit, the following resolution as Special Resolution:**

“RESOLVED THAT pursuant to the Provisions of Section 14 and all other applicable provisions, if any, of the Companies Act, 2013 & Rules made there under, approval of members be and is hereby granted to, inserting the following clause as New Clause 145A under the heading "Inspection of Books of Accounts and Register" in the Articles of Association of the Company after Clause 145 :

"145A Subject to the Provisions of these Articles and Act, Members of the Company entitled thereto may apply for and be supplied with a copy of any such register or Statutory records, where required, on such fees as may be fixed by the Board, However in no case the fee fixed by the board shall exceed the maximum amount as Prescribed under the Act or Rules."

RESOLVED FURTHER THAT Board of Directors and Key Managerial Personnel of the Company be and are hereby severally authorized to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the above resolution including but not limited to the filing of necessary forms, returns, documents etc with the Registrar of Companies and to comply with all other requirements in this regard".

9. **To adopt a new set of Articles of Association of the company**

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

“RESOLVED THAT pursuant to provisions of Section 14 and all other applicable provisions of Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force, New Set of Articles of Association be and is hereby approved and adopted as the Articles of Association of the Company in total exclusion, substitution and superseding of the existing Articles of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution the Board of Directors or Key Managerial Personnel of the Company be and are hereby severally authorised to do all such acts, deed, matters and things as may be necessary, proper or desirable to give effect to the resolution".

10. To recast and rearrange the provisions of the Objects Clause of the Memorandum of Association of the Company and also to bring contents of Memorandum in line with draft suggested in Table A of Schedule I of the Act.

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

“RESOLVED THAT pursuant to the provisions of Section 13 and other applicable provisions of the Companies Act, 2013 (including any re-enactment(s) and modification(s) made there under, if any, for the time being in force), the words at the beginning of the Memorandum of Association and before Clause I “(THE COMPANIES ACT, 1956)” be and are hereby substituted by the words “(THE COMPANIES ACT, 1956 AND THE COMPANIES ACT, 2013, TO THE EXTENT IN FORCE)”.

RESOLVED FURTHER THAT pursuant to the provisions of Section 13 and other applicable provisions of the Companies Act, 2013 (including any re-enactment(s) and modification(s) made there under, if any, for the time being in force), Clause III of the Memorandum of Association of the company be and is hereby amended as under:-

- i. Heading of the Part A of Clause III of Memorandum of Association i.e. “MAIN OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE:” substituted with the Heading “OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION ARE”.
- ii. Heading of Part B of Clause III of Memorandum of Association i.e. “THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS ARE” substituted with the Heading “MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III (A) ARE”.
- iii. Sub-clause 14 of Part B of Clause III of Memorandum of Association be and is hereby amended and substituted with the following sub-clause:

"14 Subject to Sections 179, 180, 185, 186 & Chapter V of the Companies Act, 2013, and the Regulations made there under and the directions issued by Reserve Bank of India, to receive money on deposits or loans and to borrow or raise money in such manner as the Company shall think fit, and in particular by the issue of debentures, debenture-stock, (perpetual or otherwise) and to secure the repayment of any money borrowed, raised or owing by mortgage, charge or lien upon all or any of the properties or assets of revenues and profits of the company, (both present and future) including its uncalled capital and also by a similar mortgage, charge or lien to secure and guarantee the performance by the company or any other such person or company of any obligation under taken by the company."

- iv. Sub-clause 22 of Part B of Clause III of Memorandum of Association be and is hereby amended and substituted with the following sub-clause:
“22. Subject to Sections 391 to 394 of the Companies Act 1956/ Sections 230 to 232 and Chapter XV of the Companies Act, 2013, as may be applicable, to amalgamate or to enter into partnership or any arrangement for sharing profits, union of interest, co-operation, Joint Venture, reciprocal concession with any person or persons, company or Companies, carrying on or about to carry on, or engage in any business or transaction which this Company is authorized to carry on or to engage in any business or transaction capable of being conducted so as to benefit this Company.”
- v. Part B of Clause III of Memorandum of Association, be and is hereby amended with the insertion of following Sub-clause(s) after clause 33 viz.:
 - 34. To do all things either as principals, agents, trustees, contractors or otherwise and either alone or in conjunction with others and either by it through agents, sub-contractors, trustees or otherwise.
 - 35. To engage in research and provide technical know-how into all aspects of personnel, industrial and business management and administration, to collect, prepare and distribute information and statistics relating to any type of business or industry and to provide, propose and carry out such methods, procedures and measures.
 - 36. To acts as agents or managers in carrying on any business, concerns and undertaking and to employ experts to investigate and examine into the condition, management, prospects, value and circumstances, of any business, concerns and undertaking and of any assets, property or rights of any kind to carry on all or any of the business of mechanical, electrical and general engineer, manufactures and merchants of agents for and dealers in engineering specialties of every description.
 - 37. To carry on the business as advertising agents, travelling agents, brokers, underwriters and estate agents.
 - 38. To carry on in any mode, the business of storekeepers in all its branches and in particulars to buy, sell, manufacture and deal in goods, stores, consumables articles, chattels and effects of all kinds, both wholesale or retail.
 - 39. To carry on the business as traders, agents, suppliers and commission agents, of products and commodities and materials in any form or shape manufactured or supplied by any company, firm, association of persons, body whether incorporate or not, individuals, government, semi-government, or any local authority.