

***FRONTLINE CORPORATION LIMITED***

***27th Annual Report***

***(2015-2016)***



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27th Annual General Meeting on Tuesday, 27<sup>th</sup> September, 2016 at 10.00 a.m.  
at its Registered Office at 4, BBD Bag (East), Room No. 5, 1<sup>st</sup> Floor,  
Stephen House, Kolkata - 700 001



**Board of Directors:**

Mr. Ram Prasad Agarwal	:	Director & Chairman
Mr. Narayan Prasad Agarwal	:	Director
Mr. Saurabh Jhunjhunwala	:	Director
Ms. Aarefa Oanali Dudhwala	:	Independent Women Director
Mr. Virendra Sharma	:	Independent Director
Mr. Jiw Raj Khaitan	:	Independent Director
Mr. Sital Kumar Banerjee	:	Independent Director
Mr. Pawan Kumar Agarwal	:	Managing Director
<b>Company Secretary</b>	:	Mr. S. K. Verma
<b>Chief Financial Officer</b>	:	Mr. Roshan Lal Saklani
<b>Statutory Auditors</b>	:	M/S. Paresh Thothawala & Co., Chartered Accountants, Ahmadabad.
<b>Branch Auditors</b>	:	M/s. VPC & Associates, Chartered Accountants, Kolkata.
<b>Bankers</b>	:	Dena Bank HDFC Bank Ltd. Indusind Bank ICICI Bank Limited Punjab & Sind Bank Standard Chartered Bank State Bank of India Union Bank of India The Jammu & Kashmir Bank Limited
<b>Registered Office</b>	:	4, B. B. D. Bag (East), Stephen House, Room No. 5, 1 <sup>st</sup> Floor, Kolkata – 700 001 Phone- 033-22301153, 22306825 Fax- 033 – 2243 6124
<b>Corporate Office</b>	:	4th Floor, Shalin Building, Near Nehru Bridge Corner, Ashram Road, Ahmedabad – 380 009 Phone-079-26578201, 26580414 Fax- 079-26576619, 26580287
<b>Registrar &amp; Transfer Agent</b>	:	Bigshare Services Private Limited A-802, Samudra Complex Near Klassic Gold Hotel Girish Cold Drink, off C G Road , Navrangpura Ahmedabad Gujarat - 380009 Phone No. -079-40024135, Mob. 9971542155 web: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a>

**NOTICE**

NOTICE is hereby given that the 27<sup>th</sup> Annual General Meeting of the members of M/s. Frontline Corporation Limited will be held at 10.00 a.m. on Tuesday, the 27<sup>th</sup> September, 2016 at its Registered Office at 4, B. B. D. Bag (East), Stephen House, Room No. 5, 1<sup>st</sup> Floor, Kolkata – 700 001 to transact the following business

**Ordinary Business:**

1. To receive, consider and adopt the audited Statement of Profit and Loss for the year ended March 31, 2016 and the Balance Sheet for the year ended on March 31, 2016 and Cash Flow Statement for the year ended on that date and reports of the Board of Directors and the Auditors there on and other documents attached or annexed thereto.
2. To Re-appoint Mr. Saurabh Jhunjunwala, Director of the Company (holding Director Identification Number 00060432), liable to retire by rotation in terms of section 152(6) of the companies Act, 2013 and, being eligible, offers himself for Re-appointment.
3. To Re-appoint Mr. Narayan Prasad Agarwal, Director of the Company (holding Director Identification Number 00060384), liable to retire by rotation in terms of section 152(6) of the companies Act, 2013 and, being eligible, offers himself for Re-appointment.
4. To reappoint the Statutory Auditors and to fix their remuneration and in this regards pass with or without modification(s) the following resolution as an Ordinary Resolution.

“RESOLVED THAT pursuant to the provisions of Section 139, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Audit and Auditors) Rules, 2014, including any modification, variation or re-enactment thereof, the appointment of M/S Paresh Thothawala & Co. ( Firm Registration No. 117444W) as Statutory Auditors of the Company, approved in the 25<sup>th</sup> Annual General Meeting until the conclusion of 30<sup>th</sup> Annual General Meeting of the Company, be and is hereby ratified (for the financial year 2016-17) and that the Board of Directors of the Company and the Audit Committee of the Company be and are hereby authorised to fix their remuneration for the financial year 2016-17 and permit reimbursement of actual out of pocket expenses, as may be incurred in the performance of their duties.”

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

“RESOLVED THAT, pursuant to provision of Section 139, 141, 143 and other applicable provisions of the Companies Act, 2013 and rules framed there under, if any, M/s. VPC & Associates, Chartered Accountants, Kolkata ( Firm Registration No. 313203E) be and is hereby appointed as a Branch Auditors of the Company for the Kolkata Division of the Company to hold office from the conclusion of this meeting until the conclusion of 28<sup>th</sup> Annual General Meeting of the Company, and to report to the Statutory auditors of the Company upon such remuneration plus applicable service tax and re-imbusement of travelling and out of pocket expenses as may be mutually decided between the Company and the Branch Auditors

**SPECIALBUSINESS**

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

“RESOLVED THAT, pursuant to Section 188 of the Companies Act, 2013 and of the Companies (Meeting of Board and its Powers ) Rules, 2014 and other applicable provision of the Act and the rules, consent of the members of the Company be and is hereby accorded to the Board of Directors to enter into contract or any transaction of purchase, sale or supply of goods or services or sale or purchase of any immovable property with M/s. Fairdeal ( a Partnership Firm ) and M/s. Scientific Weigh Bridge and Auto Parts ( a Partnership firm ) and M/s. Fairdeal Supplies Limited in which Director of the Company namely Mr. Ramprasad Agarwal, Mr. Pawankumar Agarwal, Mr.

Narayanprasad Agarwal and Saurabh Jhunjhunwala are interested directly, or through his relatives.”

“RESOLVED FURTHER THAT, the total value of contract or any transaction of purchase, sale or supply of goods or services or sale or purchase of any immovable property with M/s. Fairdeal (a Partnership Firm) and M/s. Scientific Weigh Bridge and Auto Parts ( a Partnership firm ) and M/s. Fairdeal Supplies Limited in any one financial year should not exceed Rs. 15 Crores.”

“RESOLVED FURTHER THAT, the Board of Directors of the Company be and are hereby authorized to finalize the terms and conditions of contract or any transaction of purchase, sale or supply of goods or services or sale or purchase of any immovable property with /s. Fairdeal ( a Partnership Firm ) and M/s. Scientific Weigh Bridge and Auto Parts ( a Partnership firm ) and M/s. Fairdeal Supplies Limited to settle any doubt, question or difficulty that may arise.”

By order of the Board of Directors of  
**Frontline Corporation Limited**

Place : Ahmedabad  
Date : August 19, 2016

Sd/-  
**Pawan K umar Agarwal**  
Managing Director  
DIN : 00060418

**NOTES:**

**A. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (MEETINGS) 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 proxy from duly completed and signed, should be lodged with the Company, at its registered office at least 48 hours before the time of the meeting. A person cannot hold more than 50 proxies.

B. The relative Explanatory Statement , pursuant to section 102 (2) of the Companies Act , 2013 in respect of the special business under item no. 6 is annexed hereto

C. Pursuant to the provision of Section 91 of the Companies Act , 2013 the registered of members and share transfer books of the Company will remain close from Wednesday, 21<sup>st</sup> September, 2016 to Tuesday, 27<sup>th</sup> September, 2016 ( both the days inclusive), for the purpose of annual general meeting.

D. All documents referred to in the notice and the explanatory statement requiring the approval of the members at the meeting and other statutory register shall be available for inspection by the Members at the registered office of the Company during office hours on all working days between 11.00 a.m. to 1.00 p.m. on all days except Saturdays, Sundays and public holiday, from the date hereof up to the date of the Annual General Meeting.

E. The Notice of the 27th Annual General Meeting with instruction for e-voting, along with attendance slip and proxy form is being dispatched to the Members by Post (and electronically by e-mail to those Members who have registered their e-mail IDs with the Company /Depositories) whose names appear in the Register of Members/list of beneficial owners as received from National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) on 20<sup>th</sup> August, 2016. Members may also note that the notice of the 27<sup>th</sup> AGM and the Annual Report 2015-16 will be available on the Company's website [frontlinecorporation.org](http://frontlinecorporation.org)

F. As per Section 72 of the Companies Act, 2013, shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nomination are requested to send their request in Form SH-13 for nomination and Form SH-14 for cancellation/variation as the case may be to the RTA.

G. A Map showing the Venue of the Annual General Meeting is enclosed herewith.

**H. Voting through electronic means:** In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 27<sup>th</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting. The Company has signed an Agreement with CDSL for facilitating such e-Voting by the Members. Kindly note that each Member can opt for only one mode for voting i.e. either by Physical Ballot or by E-voting. However, in case members cast their vote both via physical ballot and e-voting, then voting through postal ballot shall prevail and voting done by e-voting shall be treated as invalid.

**The instructions for e-voting are as under:**

(A) In case a Member receives an email from NSDL/ CDSL [for members whose email IDs are registered with the Company/Depository Participants(s)]:

(i) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and casted your vote earlier for EVSN of any Company, then your existing login id and password are to be used.

(ii) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)

(iii) Click on "shareholders" tab to cast your votes.

(iv) Now select the Electronic Voting Sequence Number – "EVSN" along with "COMPANY NAME" (Frontline Corporation Limited) from the drop down menu and click on "SUBMIT".

(v) Now, fill up the following details in the appropriate boxes :

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
User ID	For NSDL – 8 characters of DP ID followed by 8 Digits Client ID For CDSL – 16 digits beneficiary ID	Folio No. registered with the Company
	Folio Number registered with the Company	
PAN*	Enter your 10 digits alpha-numeric *PAN issued by Income Tax Department when prompted by the system while e-voting (applicable for both demat shareholders as well as physical shareholders)	
DOB#	Enter the Date of Birth as recorded in your demat account or in the Company records for the said demat account or folio.	
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the Company records for the said demat account or folio.	

\* Members who have not updated their PAN with the Company/Depository Participant are requested to use - the First 2 alphabets from First Holder Name filed + 8 characters from right of BOID/ Folio Number (If the BOID / Folio Number is shorter than 8 characters then the system will insert "0" (zero) to fulfill the 10 character requirements.) in the PAN field. No special characters will be taken from the name.

# please enter any one of the details in order to login. If the Date of Birth & Bank Account Details both are left blank then the system will record BOID / FOLIO NO. in the Bank Account Details

- (vi) After entering these details appropriately, click on "SUBMIT" tab.
- (vii) Members holding shares in physical form will then reach directly to the voting screen. However, members holding shares in demat form will now reach 'Password Change' menu wherein they are required to mandatorily change their login password in the new password field. The new password has to be minimum eight characters consisting of at least one upper case (A-Z), one lower case (a-z), one numeric value (0-9) and a special character (@ # \$ % &\*). 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 NSDL / CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Kindly note that this changed password is to be also used by the Demat holders for voting for resolutions for the Company or any other Company on which they are eligible to vote, provided that Company opts for e-voting through NSDL / CDSL platform.
- (viii) Click on the relevant EVSN on which you choose to vote.
- (ix) 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.
- (x) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- (xi) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm you vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xii) Once you "CONFIRM" you vote on the resolution, you will not be allowed to modify your vote.

- (B) In case of members receiving the physical copy of Notice of AGM (for members whose e-mail IDs are not registered with the Company/depository participant(s) or requesting physical copy)**
- (i) Please follow all steps from Sl. No. (ii) to (vi) and then Sl. No. (viii) to Sl. No. (xii) above to cast vote.
- (C) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to on to <https://www.evotingindia.co.in> and register themselves, link their account which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution in PDF format in the system for the scrutinizer to verify the vote.
- (D) The voting period begins on 22<sup>nd</sup> September, 2016 (9.00 a.m.) and ends on 26<sup>th</sup> September, 2016 (5.00 p.m.) During these period shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21<sup>st</sup> September, 2016, may cast their vote 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.
- 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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdsl.india.com](mailto:helpdesk.evoting@cdsl.india.com). You may also contact to Mr. Prem Kumar, Bigshare Services Private Limited, A-802, Samudra Complex Near Klassic Gold Hotel, Girish Cold Drink, Off C G Road, Navrangpura, Ahmedabad Gujarat – 380009 Phone No. -079-40024135, Mob. 9971542155  
web: [www.bigshareonline.com](http://www.bigshareonline.com)
- (E) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 21<sup>st</sup> September, 2016.
- (F) Mr. Alkesh Jalan, of M/s Jalan Alkesh & Associates, Company Secretaries, (Membership No. 15677) ( Address : 304, Agrawal Arcade, Nr. Ambawadi Circle, Ambawadi, Ahmedabad – 380006) has been appointed as the Scrutinizer to scrutinize the e-voting process (including the physical ballots received from members who don't have access to the e-voting process) in a fair and transparent manner.
- (G) The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- (H) The Results shall be declared at the AGM of the Company. The result will be announced to the Stock Exchanges where the shares of the Company are listed and will also be displayed on the Company's website [www.frontlinecorporation.org](http://www.frontlinecorporation.org) and the Company will also request the Central Depository Services ( India ) Limited to display the same on its website.
- (I) Members are requested to notify the change in the address, if any. in case of shares held in electronic form to the concerned Depository Participant quoting their Client ID and in case of physical shares to the Registrar and Transfer Agent of the Company quoting their Folio Number.
- (J) This notice is being issued having regard to provisions of section 108 and 110 of the Companies Act 2013, General circular no. 20/2014 Government of India and Clause 35B of the listing agreement with stock exchanges, as amended from time to time.

**Explanatory Statement pursuant to Section 102 of the Companies Act, 2013:**

**Item No. 6**

Pursuant to provision of Section 188 of Companies Act, 2013 contracts or transactions involving purchase or sale of goods exceeding 25% of the annual turnover or services exceeding 10% of networth requires prior approval of members in General meeting. M/s. Fairdeal ( a Partnership Firm ) and M/s. Scientific Weigh Bridge and Auto Parts ( a Partnership firm ) and M/s. Fairdeal Supplies Limited in which Director of the Company namely Mr. Ramprasad Agarwal, Mr. Pawankumar Agarwal,



Mr. Narayanprasad Agarwal and Saurabh Jhunjunwala are interested directly, or through his relatives.

The Company carries out or proposes to carry out transactions with M/s. Fairdeal ( a Partnership Firm ) and M/s. Scientific Weigh Bridge and Auto Parts ( a Partnership firm ) and M/s. Fairdeal Supplies Limited at arms length price. The prices at which transactions are carried out or proposed to be carried out are as per prevailing market rate.

No advance is paid or will be paid for carrying out transactions with M/s. Fairdeal ( a Partnership Firm ) and M/s. Scientific Weigh Bridge and Auto Parts ( a Partnership firm ) and M/s. Fairdeal Supplies Limited.

It is proposed that total value of transactions carried out or proposed to be carried out M/s. Fairdeal ( a Partnership Firm ) and M/s. Scientific Weigh Bridge and Auto Parts ( a Partnership firm ) and M/s. Fairdeal Supplies Limited with in aggregate in any one financial year should not exceed Rs. 15 Crores.

The details of Shares held by the Directors and their relatives in Fairdeal Supplies Limited as on date of issue of notice is as under :

	<b>Name of the Shareholder</b>	<b>Number of Shares</b>	<b>% of total Share Capital</b>
1	Shri Pawan Kumar Agarwal	159447	7.9724
2	Shri Gaurav Jhunjunwala	66072	3.3036
3	Smt. Bhagwani devi Agrawal	100	0.0050
4	Shri Ramprasad Agarwal	167,110	8.3555
5	Smt. Rewadevi Jhunjunwala	20046	1.0023
6	Shri Saurav Jhunjunwala	59900	2.9950
7	Ms. Shilpi Jhunjunwala	2500	0.1250
8	Shri Mukund Jhunjunwala	87922	4.3961
9	Baijnath Agrawal & Son (HUF)	160500	8.0250
10	Narayan Prasad Agarwal	119227	5.9614
11	Hansa Agarwal	38193	1.9097
12	Renudevi Jhunjunwala	211459	10.5730
13	Narayan Prasad Agarwal & Son(HUF)	30000	1.5000
14	Raja Jhunjunwala	180500	9.0250
15	Shri Ramprasad Agarwal & Sons (HUF)	75000	3.7500

The Shareholding of the Directors and their relatives who are deemed to be interested in this resolution is as under:

Name of the Shareholder	Number of Shares	% of total Share Capital
Ram Prasad Agarwala	387522	7.75
Rewa Devi Jhunhunwala	250000	5.00
Ram Prasad Agarwala	234900	4.70
Gaurav Jhunhunwala	189340	3.79
Hansa Agarwal	164000	3.28
Falgun Export Private Limited	161900	3.24
Narayan Prasad Agarwala	145800	2.92
Bhagwani Devi Agarwala	138900	2.78
Mr. Pawan Kumar Agarwal	138566	2.77
Manju Choudhury	124900	2.50
Pawan Kumar Agarwala	111700	2.23
Saurabh Jhunhunwala	105440	2.11
Renu Devi Jhunhunwala	91500	1.83
Narayan Prasad Agarwala	38900	0.78
Prima Financial Services Limited	35300	0.71
Mukund Jhunhunwala	23800	0.48
Lalitadevi Shyamsunder Murarka	18700	0.37
Ms. Hansa Agarwal	7000	0.14
Shilpi Jhunhunwala	5100	0.10
Gaurav Jhunhunwala	4700	0.09
Rewadevi Jhunhunwala	1400	0.03
Ram Prasad Agarwal	1200	0.02
Raja Jhunhunwala	1000	0.02
<b>Total</b>	<b>2381568</b>	<b>47.63</b>

Chief Financial Officer of the Company and Company Secretary do not hold any shares in the Company.

None of the Directors except Mr. Pawan Kumar Agarwal, being the appointee and Mr. Ram Prasad Agarwal, Mr. Narayan Prasad Agarwal and Mr. Saurabh Jhunhunwala being related, may be deemed to be concerned or interested directly or indirectly in the above resolution.

The % of Profit and Loss Sharing ratio of the Partners in M/s. Fairdeal is 1) Ramprasad Agarwal – 34%, 2) Narayan Prasad Agarwal – 33% 3) Mr. Pawankumar Agarwal – 17% and 4) Mrs. Hansaben Pawankumar Agarwal 16%. The % of Profit and Loss Sharing ratio of the Partners in M/s. Scientific Weigh Bridge and Auto Parts is 1) Ms. Renudevi Jhunhunwala, wife of Director Mr. Ramprasad Agarwal – 32%, 2) Rewadevi Jhunhunwala, wife of Mr. Narayan Prasad Agarwal – 32% and 3) Hansaben Pawankumar Agarwal, wife of Director, Mr. Pawankumar Agarwal – 31% and 4) Mr. Pawankumar Agarwal – 5%.

**By order of the Board of Directors of  
Frontline Corporation Limited**

Place : Ahmedabad  
Date : August 19, 2016

Sd/-  
**Pawan K umar Agarwal**  
Managing Director  
DIN : 00060418

**Directors' Report**

To  
The Members,  
**Frontline Corporation Limited**

Your Directors have pleasure in presenting their 27th Annual report along with Audited Accounts for the year ended on March 31, 2016.

<b>Financial Performance and Appropriations :</b>	<b>(Rs, in Lacs) Current Year ended on 31-03-2016</b>	<b>(Rs, in Lacs) Previous Year ended on 31-03-2015</b>
Revenue from Operations	3837.23	3752.28
Other Income	100.67	192.81
Total Income	3937.91	3945.09
Finance Charges	538.75	513.16
Depreciation	110.61	104.07
Profit /( Loss) before Taxation & Exceptional and Extra Ordinary Items	(523.66)	(253.81)
Provision for Taxes – Current	0	8.50
Provision for Taxes – Deferred	(127.93)	(31.42)
Income Tax – Earlier Period	32.29	0
Profit /( Loss) after taxation but before exceptional and Extra Ordinary Items	(428.02)	(230.89)
Exceptional & Extra Ordinary Items	(3.22)	(47.73)
Profit/ ( Loss) for the year	(424.79)	(183.16)
Appropriations		
Opening Balance of Profit / ( Loss ) Brought Forward	478.96	676.93
Profit/ ( Loss) for the year	(424.79)	(183.16)
Less : Adjustment relating to fixed assets	14.81	14.81
Proposed Dividend	NIL	NIL
Balance Carried to Balance-Sheet	54.16	478.96

**Notes:**

Previous years' figures have been regrouped wherever necessary to bring them in line with the current year's representation of figures.

**Dividend :**

Due to loss during the year under the review, your Directors do not recommend any dividend for the year.

**Review Of Operations:**

The year 2015-2016 marked deterioration in the fundamentals of both the global and the Indian economies. The year under review was a challenging one for your company as well. Your Company made a Net Loss of Rs. 424.79 Lacs against Net Loss of Rs. 183.15 Lacs in the earlier year. The Loss has increased by more than 2 times. The increase in loss was due to lesser revenue and higher operating and interest costs.

During the year the company has achieved operational income of Rs. 3837.23 Lacs as against Rs. 3752.28 Lacs in the previous year. The company posted Loss before tax of Rs. 523.66 Lacs as against Rs. 253.81 Lacs in the previous year. The Company incurred Loss after Tax of Rs. 424.79 Lacs as against Rs. 183.16 Lacs in the previous year.

**Disclosure under Rule 8 (5) of Companies (Accounts) Rules, 2014:**

**Change in Nature of Company Business:**

The Company is engaged in the business of transportation, wind energy, trading of automotive parts and renting of immovable properties. There is no change in nature of Company Business.

**Details of Directors / Key Managerial Personnel Appointed / Resigned:**

No Directors / Key Managerial Personnel were appointed or have resigned during the year under the review.

**Details of Holding / Subsidiary Companies / Joint Ventures / Associate Companies:**

During the year under review, there was no holding / Subsidiary Company / Joint Ventures / Associate Companies were there.

**Deposit:**

The Company has not invited any deposit other than the exempted deposit as prescribed under the provision of the Companies Act, 2013 and the rules framed there under, as amended from time to time. Hence there are no particulars to report about the deposit falling under Rule 8 (5) (v) and (vi) of Companies (Accounts) Rules, 2014.

**Details of Significant and Material Orders passed by Regulators or Courts or Tribunals:**

During the year under review there were no significant and material orders passed by any Regulators or Court or Tribunals which may have impact on the going concern status. No order has been passed by any Regulators or Court or Tribunals which may have impact on the Company's operation in future.

**Internal Financial Controls:**

The Company has adequate internal financial controls to support the preparation of the financial statements.

**INSURANCE:**

The properties of the Company stand adequately insured against risks of fire, strike, riot, earthquake, explosion and malicious damage.

**DIRECTOR'S RESPONSIBILITY STATEMENT:**

As required under the provisions of Section 134 of the Act, your Directors report that:

- (a) In the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- (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 at the end of the financial year and of the Loss of the Company for that period.
- (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 as required by Explanation to Section 134(5) (e) of the Act to be followed by the Company and such internal financial controls are adequate and are operating effectively.

(f) The Directors have devised proper systems to ensure compliance with the provisions of applicable laws and such systems are adequate and operating effectively.

**PARTICULARS OF EMPLOYEES:**

There was no employee drawing remuneration requiring disclosure under the Rule 5 (2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

**LISTING:**

The Equity Shares of the Company are listed on Bombay Stock exchange, Ahmadabad Stock Exchange and Calcutta Stock Exchange. The Company is regular in payment of listing fees. The Company has paid the listing fees for the year 2016 – 2017.

**AUDITORS AND AUDITORS REPORT:**

The Auditors M/s. Paresh Thothawala & Co. Chartered Accountants, Ahmadabad hold office until the conclusion of the ensuing Annual General Meeting and have expressed their willingness to be reappointed. The Company has received a letter from a member of the Company proposing the name of M/s. Paresh Thothawala & co., Chartered Accountants as Statutory Auditors of the Company. Members of the Company at the 25<sup>th</sup> Annual General Meeting of the Company have appointed M/s. Paresh Thothawala & co. Chartered Accountants as auditors of the Company upto 30<sup>th</sup> Annual General Meeting of the Company. In accordance with the provision of Section 139 of the Companies Act, 2013 members are requested to ratify the appointment of the auditors for the balance term to hold office from the conclusion of the 27<sup>th</sup> Annual General Meeting until the conclusion of the 30<sup>th</sup> Annual General Meeting, subject to ratification at each annual general meeting on such remuneration as may be fixed by the Board, apart from reimbursement of out of pocket expenses as may be incurred by them for the purpose of audit

The Company has received a certificate from the Auditors to the effect that their appointment if made, would be within the prescribed limits under Section 141(3)(g) of the Companies Act, 2013

**The auditors observations and its reply are as under :**

**Basis for Qualified Opinion**

- ♦ *Note No. 10.3 and 14 regarding physical possession and selling of Land & Building taken by Punjab and Sind Bank.*
- ♦ *Note No. 10.2 and 31.1 for Demand Notice issued by UCO Bank and J&K bank by virtue of which some fixed assets details of which are given in detailed note of fixed assets have been symbolically possessed by the bank.*

In reply to the above mentioned point of qualified opinion raised by the Statutory Auditors of the Company in their Independent Auditors' Report it is stated that the attachment of properties by the Bank is a legal process and the Company is taking all legal steps to protect the property. Further the Company is taking all steps to make the settlement of the matter and the Company is actively undertaking the settlement matter with the Banks. Further the Company is also making all its efforts to repay the debt and to release the property.

- ♦ *Reference is invited Note No. 31.2 to the financial statements regarding corporate guarantee given by the company for credit facilities to Fairdeal Supplies Limited, a group company, and non-compliance of Section 295 of the companies Act, 1956.*

In reply to the above mentioned qualification of the Independent Auditors' Report and qualified opinion point no. 3 it is stated that the Company at the time when M/s. Fairdeal Supplies Limited, a Group concern of the Company obtained the loan from the Banks, the financial conditions and other prospects of M/s. Fairdeal Supplies Limited were excellent. The Board of Directors of the Company did not fore cast that loan availed by M/s. Fairdeal Supplies Limited will be defaulted. The Bankers of M/s. Fairdeal Supplies Limited have stipulated condition to give the collateral and guarantee for the facilities to be availed by the Fairdeal Supplies Limited.

- ◆ The Board of Directors of the Company would further like to state that it has already filed necessary petition before the respective authorities for compounding the matter.
- ◆ *Reference is invited Note No. 16.3 to the financial statements regarding trade receivable amounting to Rs. 70,49,370.37 and Note No. 13.1 & 18.1 of loans regarding loans & advances amounting to Rs. 37,39,000/- which are outstanding for long time. As explained therein, the recoveries from these trade receivables and advances have been negligible. There have been defaults on the payment obligations by the debtors on the due dates. As informed by the management no balance confirmations are received. In view of the above we are unable to comment on the realization of the debts and any provision to be made for non realization in the carrying amounts of these balances and the consequential impact, on the financial statements.*

**The Company is in the process of making recovery of trade receivables and loans and advances. The Company is exploring all legal options for the same.**

- ◆ *Reference is invited Note No. 13.2 to the financial statements, according to which an amount of Rs. Rs.6,50,56,579/- (Previous year Rs. 6,86,54,579/-) is outstanding which has been given to M/s. Gateway Commodities (P) Ltd. as loans & advances. The management has explained that such advances have been given in the normal course of business. As per information made available to us and explanation given Rs. 35,98,000 (previous year Rs. 33,34,980) have been recovered / adjusted during the current financial year. The management, based on internal assessments and evaluations, have represented that the balance outstanding advances are still recoverable/ adjustable and that no accrual for diminution of advances is necessary as at balance sheet date. The management has further represented that as significant amounts have been recovered/adjusted during the previous and current financial year and since constructive and sincere efforts are being put in for recovery of the said advances, they are confident of appropriately adjusting / recovering significant portions of the remaining outstanding balance of such amounts in the foreseeable future. However, we are unable to ascertain whether all the remaining outstanding advances, as above, are fully recoverable / adjustable since the outstanding balances as at balance sheet date are outstanding for a long period of time, and further that, neither the amount recovered nor interest provided on such long outstanding amounts in the current year, consequently, we are unable to ascertain whether all of the remaining balances as at balance sheet date are fully recoverable. Accordingly, we are unable to ascertain the impact, if any, that may arise in case any of these remaining advances are subsequently determined to be doubtful of recovery.*

The Company is in the process of recovering the amount from Gateway Commodities Private Limited. The Company is also exploring various legal options for the same.

***The company did not have internal control system for loan & advances and Guarantee with regard to identification and assessment of credit worthiness. Further the internal control system regarding measures adopted for recovery is not adequate. These could potentially result in material misstatements in company's net worth and loans & advance balances.***

The above remarks made by the auditors is self explanatory. The Company is in the process of negotiating with the parties.

***The company did not have appropriate internal controls for reconciliation of physically inventory with the inventory records, which may have resulted in misstatement of inventory values in the books of account.***

With respect to the above qualification the inventory has been physically verified by the Management. Hence the management does not foresee any misstatement of inventory values.

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

The details in respect of the conservation of energy, technology absorption and foreign exchange earnings and outgo are more detailed in the Annexure I to the Directors Report.

**CORPORATE GOVERNANCE:**

Pursuant to SEBI ( Listing Obligations and Disclosure Requirements ) Regulations, 2015 Management Discussion & Analysis, Corporate Governance Report and Auditor's Certificate regarding compliance to conditions of corporate governance are made part of this Annual Report. The Management Discussion and Analysis which is attached herewith and forms part of the report and which is attached as Annexure VII and the Corporate Governance Report which is attached herewith and forms part of the report and which is attached as Annexure VIII.

**Related Party Transactions**

All related party transactions that were entered into during the year under report were on an arm's length basis and in the ordinary course of business. There are no materially significant related party transactions made by the Company during the year. Related Party Transactions Policy is available on the website of the Company at [www.frontlinecorporation.org](http://www.frontlinecorporation.org). The details of transactions with the related party is provided in . No advance is / was paid for entering into related party transactions. The prices paid to the related party transactions are based on the ruling market rate at the relevant point of time. The requisite details in form AOC – 2 is attached herewith as **Annexure - II** which forms part of the Directors Report

**Particulars of Loans / Guarantees / Investment:**

The details of the loans provided are mentioned in note no. 13 and 18 of the Balance Sheet. Members are requested to refer the same. Further with respect to loans / investment to and from the related parties are more detailed in note no. 33 of the Balance Sheet.

The Company has provided its Security and also provided its Corporate Guarantee for the loan availed by M/s. Fairdeal Supplies Limited for Rs. 318 Crores. The Security / Corporate Guarantee was provided under the erstwhile Companies Act, 1956 which is continuing till date.

**Code for Prevention of Insider Trading Practices**

The Company has instituted a comprehensive code of conduct in compliance with the SEBI regulations on prevention of insider trading. The code lays down guidelines, which advise on procedures to be followed and disclosures to be made, while dealing in shares of the Company and cautions on the consequences of non-compliances. The Code is also available on the website of the Company i.e.

**Risk Management Policy**

The Company has a structured risk management policy. The Risk management process is designed to safeguard the organisation from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business. The potential risks are inventoried and integrated with the management process such that they receive the necessary consideration during decision making. It is dealt with in greater details in the management discussion and analysis section. The Risk Management Policy is also available on the Company's website at [www.frontlinecorporation.org](http://www.frontlinecorporation.org)

**Declaration by Independent Directors:**

The following Directors are independent in terms of Section 149(6) of the Act and SEBI ( Listing Obligations and Disclosure Requirements ) Regulations, 2015 :

- (A) Shri Virendra Sharma
- (B) Shri Jiwraj Khaitan
- (C) Shri Sital Kumar Banerjee
- (D) Ms. Aarefa Oanali Dudhwala

The Company has received requisite declarations/ confirmations from all the above Directors confirming their independence.

**Extract of the Annual Return**

Pursuant to provision of Section 92 and 134 and other applicable provision of the Companies Act, 2013 and of Rule 12 (1) of Companies (Management and Administration) Rules, 2014 the extract of the annual return in form MGT 9 for the Financial Year ended on 31st March, 2015 is annexed as Annexure III to this Report.

**Number of Board Meetings**

During the year the Board of Directors met 8 times. The dates of the Board meetings are as under :  
20/04/2015, 15/05/2015, 30/05/2015, 31/07/2015, 14/08/2015, 31/08/2015, 14/11/2015 and 13/02/2016.

**Corporate Social Responsibility:**

The Company is not covered under the criteria of the provision of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, and therefore it is not mandatory for the Company to have the Corporate Social Responsibility.

**Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has in place an Anti-harassment policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee are set up at shop floor level to redress complaints received regularly and are monitored by women line supervisors who directly report to the Chairman. All employees (permanent, contractual, temporary, trainees) are covered under the policy. There was no complaint received from any employee during the financial year 2015-16 and hence no complaint is outstanding as on 31.03.2016 for redressal.

**SECRETARIAL STANDARDS:**

The Company has complied with the mandatory Secretarial Standards issued pursuant to Section 110 of the Companies Act, 2013.

**SECRETARIAL AUDIT REPORT:**

Pursuant to Section 204 of the Act, the Secretarial Audit Report for the Financial Year ended 31st March, 2016 given by M/s. Jalan Alkesh & Associates, Practising Company Secretary is annexed as Annexure IV to this Report.

The Qualifications made by the Secretarial Auditor and its reply is as under :

- a) Delayed filing of certain forms with the Ministry of Corporate Affairs required under the Companies Act, 2013. However for late filing of forms the Company has paid additional fees.

Reply : The Company will take the necessary steps to ensure the due compliance of the law.

- b) The Company has given Security / Guarantee to the Bankers for the loans obtained by M/s. Fairdeal Supplies Limited in violation of erstwhile Companies Act, 1956 which is still continuing.

Reply : The same is given in the auditors and auditors report herein above.

- c) Further with respect to the advances to M/s. Gateway Commodities Pvt. Ltd. we request the members to refer the Balance Sheet and the Statutory Auditors Report remarks. The advances to M/s. Gateway Commodities Private Limited were given under the erstwhile Companies Act, 1956.

Reply : The same is given in the auditors and auditors report herein above.

- d) Further with respect to the annual disclosure required to be submitted under the SEBI ( Substantial Acquisition of Share Takeover ) Regulations, 2011 the annual disclosures have been made by the Promoters of the Company to the Stock exchange. However the Company has not made the annual disclosures to the exchange.

Reply : The Company belief that the same are required to be given and therefore it will make duplication of records to the BSE. The Company has obtained the proof of delivery from the Promoters.



e) Further some of the listing compliances were not done in time.

Reply: The Company will take necessary steps to ensure that the listing compliances are done in time.

#### **ANNUAL PERFORMANCE EVALUATION:**

In compliance with the provisions of the Act and SEBI ( Listing Obligations and Disclosure Requirements ) Regulations, 2015 the performance evaluation was carried out as under:

##### **Board:**

In accordance with the criteria suggested by The Nomination and Remuneration Committee, the Board of Directors evaluated the performance of the Board, having regard to various criteria such as Board composition, Board processes, Board dynamics etc. The Independent Directors, at their separate meetings, also evaluated the performance of the Board as a whole based on various criteria. The Board and the Independent Directors were of the unanimous view that performance of the Board of Directors as a whole was satisfactory.

##### **Committees of the Board:**

The performance of the Audit Committee, the Nomination and Remuneration Committee and the Stakeholders Relationship Committee was evaluated by the Board having regard to various criteria such as committee composition, committee, processes, committee dynamics etc. The Board was of the unanimous view that all the committees were performing their functions satisfactorily and according to the mandate prescribed by the Board under the regulatory requirements including the provisions of the Act, the Rules framed thereunder and the Listing Agreement.

##### **Individual Directors:**

- (a) **Independent Directors:** In accordance with the criteria suggested by The Nomination and Remuneration Committee, the performance of each independent director was evaluated by the entire Board of Directors (excluding the director being evaluated) on various parameters like engagement, leadership, analysis, decision making, communication, governance and interest of stakeholders. The Board was of the unanimous view that each independent director was a reputed professional and brought his/her rich experience to the deliberations of the Board. The Board also appreciated the contribution made by all the independent directors in guiding the management in achieving higher growth and concluded that continuance of each independent director on the Board will be in the interest of the Company.
- (b) **Non-Independent Directors:** The performance of each of the non-independent directors (including the chair person) was evaluated by the Independent Directors at their separate meeting. Further, their performance was also evaluated by the Board of Directors. The various criteria considered for the purpose of evaluation included leadership, engagement, transparency, analysis, decision making, functional knowledge, governance and interest of stakeholders. The Independent Directors and the Board were of the unanimous view that each of the non-independent directors was providing good business and people leadership

#### **POLICY ON DIRECTORS APPOINTMENT AND REMUNERATION**

The requisite details as required by Section 134(3) (e), Section 178(3) & (4) and Clause 49 of the Listing Agreement is attached herewith and forms part of the Directors Report. The details of the remuneration policy of the Company as required in terms of the SEBI ( Listing Obligations and Disclosure Requirements ) Regulations 2015 is provided in Annexure V to the Report.

The details in respect Disclosure under Section 197(12) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in Annexure VI of the Report.

**MATERIAL CHANGES AND COMMITMENTS:**

There are no material changes and commitments, if any, affecting the financial position of the Company subsequent to the date of the Balance sheet and up to the date of the report.

**APPRECIATION:**

Your Directors acknowledge the continued support and cooperation received from the Central Government, Shareholders, Banks and other Lenders, suppliers and Dealers.

The Board also wishes to record its sincere appreciation of the total commitment, dedication and hard work, put in by every member of Frontline Group.

By order of the Board of Directors of  
**Frontline Corporation Limited**

Place : Ahmedabad  
Date : August 19, 2016

Sd/-  
**Narayan Prasad Agarwal**  
Director  
DIN : 00060384

Sd/-  
**Pawan K umar Agarwal**  
Managing Director  
DIN : 00060418

**ANNEXURE I**  
**TO THE DIRECTORS' REPORT**

Information as required under Section 134 (m) read with Rule 8 of Companies (Accounts) Rules, 2014

**A. Conservation of Energy :**

<b>Power &amp; Fuel Consumption :</b>	<b>Current Year</b>	<b>Previous Year</b>
<b>Electricity:</b>	<b>2015-16</b>	<b>2014-2015</b>
<b>i) Purchased:</b>		
(a) Units		
(b) Amount(' in Lacs)	<b>NIL</b>	NIL
(c) Units/per litre of Diesel Oil	<b>NIL</b>	NIL
(d) Cost per unit (')	<b>NIL</b>	NIL
<b>ii) Own Generation:</b>		
(a) Units	<b>NIL</b>	NIL
(b) Amount(' in Lacs)	<b>NIL</b>	NIL
(c) Units/per litre of Diesel Oil	<b>NIL</b>	NIL
(d) Cost per unit (')	<b>NIL</b>	NIL
<b>iii) Gas Consumption</b>	<b>NIL</b>	NIL

**Wind Mill Generation :**

During the year under review, the Company has generated 2294082 units ( Previous Year : 3237522 ) through wind mill through which it has generated net revenue of Rs. 128.70 Lacs/- ( Previous Year : 153.08 Lacs. )

**Energy Conservation measures taken:**

There is no manufacturing activity in the Company. However to the best possible the Company is making effort to conserve the consumption of energy by minimizing the wastage of electricity.

**Additional Investments and proposals being implemented for reduction of consumption of Energy:** Nil.

**Impact of above measures:**

More efficient utilization of power and reduction in energy consumption.

**Total energy consumption and energy consumption per unit of production:**

Not Applicable or the particulars are nil.

**B. Research & Development:**

The Company has no specific Research & Development Department. Further the Company is not engaged in the manufacturing activity and hence the particulars of research and development are either nil or not applicable.

**C. Foreign Exchange Earnings and Expenditure:**

**Activities relating to export, initiative taken to increase exports development of new export markets for products and services, and export plans :** Not Applicable or the particulars are nil.

Total foreign exchange used and earned:

<b>Particulars</b>	<b>Amount in Foreign Currency</b>	<b>Amount</b>
Total Foreign Exchange earning	Nil (Previous Nil)	Rs. Nil (Previous Nil)
Total Foreign Exchange outgo	Nil (Previous Nil)	Rs. Nil (Previous Nil)

**Annexure II**

**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 arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

SL. No.	Particulars	Details of transactions
a)	Name (s) of the related party & nature of relationship	No transactions / contracts were entered which were not at arm's length.
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date(s) of approval by the Board	
g)	Amount paid as advances, if any :	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	

2. Details of material contracts or arrangements or transactions at Arm's length basis.

SL. No.	Particulars	Details of transactions
a)	Name (s) of the related party & nature of relation ship	<p>The Company has entered into transaction with M/s. Fairdeal ( a partnership firm ) and M/s. Scientific Weigh Bridge and Auto Parts ( a partnership firm )</p> <p>[ The % of Profit and Loss Sharing ratio of the Partners in M/s. Fairdeal is 1) Ramprasad Agarwal – 34%, 2) Narayan Prasad Agarwal – 33%, 3) Mr. Pawankumar Agarwal – 17% and 4) Mrs. Hansaben Pawankumar Agarwal 16%.</p> <p>The % of Profit and Loss Sharing ratio of the Partners in M/s. M/s. Scientific Weigh Bridge and Auto Parts is 1) Ms. Renudevi Jhunhunwala, wife of Director Mr. Ramprasad Agarwal – 32%, 2) Rewadevi Jhunjunwala, wife of Director Mr. Narayan Prasad Agarwal – 32% and 3) Hansaben</p> <p>Pawankumar Agarwal, wife of Director, Mr. Pawankumar Agarwal – 31% and 4) Mr. Pawankumar Agarwal – 5%.</p> <p>The Company also entered into rental agreements with M/s. Fairdeal Supplies Limited, Ramprasad Agrawal, Narayan Prasad Agrawal, Pawankumar Agrawal and Baijnath and Sons, HUF.</p> <p>In respect of the above entities Mr. Pawankumar Agarwal, Mr. Narayan Prasad Agarwal, Mr. Ramprasad Agarwal and Mr. Saurabh Jhunjunwala is / are interested directly and indirectly.</p>
b)	Nature of contracts / Arrangements / Transaction	<p>The Company has entered into transaction of sale of goods with M/s. Fairdeal ( a partnership firm ) and M/s. Scientific Weigh Bridge and Auto Parts ( a partnership firm ).</p> <p>The Company also took property on rent / lease from M/s. Fairdeal Supplies Limited, Ramprasad Agrawal, Narayan Prasad Agrawal, Pawankumar Agrawal and Baijnath and Sons, HUF.</p> <p>The Company also gave its property on rent / lease to and from M/s. Fairdeal Supplies Limited.</p>
c)	Duration of the Contracts/Arrangement /Transaction	Normally the lease / rent agreement is for the period of 11 months and 29 days and on its expiry the same is renewed from time to time.
d)	Salient terms of the contracts or arrangements or transaction including the value if any	To supply / purchase the goods / fixed assets required on need basis at arm's length. In respect of rental, the same is determined as per the rental agreement. The price is determined as per the prevailing market rate. The value of transactions with related parties is provided in the notes to the accounts. Members are requested to refer the same.
e)	Date of approval by the Board, if any :	Not Applicable
f)	Amount paid as advances, if any :	Nil

**Annexure III**

**Form No. MGT-9**

EXTRACT OF ANNUAL RETURN AS ON THE FINANCIAL YEAR ENDED ON 31.03.2016

*[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the  
Companies (Management and Administration) Rules, 2014]*

**I. REGISTRATION AND OTHER DETAILS:**

<b>i.</b>	CIN	<b>L63090WB1989PLC099645</b>
<b>ii.</b>	RegistrationDate	04/12/1989
<b>iii.</b>	Name of the Company	FRONTLINE CORPORATION LIMITED
<b>iv.</b>	Category/Sub-Category of the Company	Company Limited by Shares/Non-Govt. Indian Company
<b>v.</b>	Address of the Registered office and contact details	4, B.B.D. BAG (EAST), STEPHEN HOUSE, ROOM NO - 5, 1ST FLOOR, KOLKATA. West Bengal-700001
<b>vi.</b>	Whether listed Company	Yes
<b>vii.</b>	Name, Address and Contact details of Registrar	<b>Bigshare Services Private Limited,</b> A- 802 Samudra complex , Near Klassic Gold Hotel, Girish Cold Drink off C G Road, Ahmedabad-380009.

**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:-

<b>Sr. No.</b>	<b>Name and Description of main products/ services</b>	<b>NIC Code of the Product/ service</b>	<b>% to total turnover of the company</b>
1	Transportation	60	30.65%
2	Trading in Automotive Parts	51	61.61%

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

<b>Sr. No.</b>	<b>Name and Address of The Company</b>	<b>CIN/GLN</b>	<b>Holding/ Subsidiary/ Associate</b>	<b>%of shares held</b>	<b>ApplicableSection</b>
NIL					

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

**i. Category-wise Shareholding**

Category of Shareholders	No. of Shares held at the beginning of the year (01.4.15)				No. of Shares held at the end of the year (31.03.2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>1) Indian</b>									
a) Individual/ HUF	2184368	-	2184368	43.69	2184368	-	2184368	43.69	0
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	197200	-	197200	3.94	197200	-	197200	3.94	0
e) Banks / FI									
f) Any Other									
Sub-total(A)(1):-	<b>2381568</b>	<b>-</b>	<b>2381568</b>	<b>47.63</b>	<b>2381568</b>	<b>-</b>	<b>2381568</b>	<b>47.63</b>	<b>0</b>
<b>2) Foreign</b>	-	-	-	-	-	-	-	-	-
g) NRIs-Individuals	-	-	-	-	-	-	-	-	-
h) Other-Individuals	-	-	-	-	-	-	-	-	-
i) Bodies Corp.	-	-	-	-	-	-	-	-	-
j) Banks / FI	-	-	-	-	-	-	-	-	-
k) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total(A)(2):-	<b>2381568</b>	<b>-</b>	<b>2381568</b>	<b>47.63</b>	<b>2381568</b>	<b>-</b>	<b>2381568</b>	<b>47.63</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(1)	-	-	-	-	-	-	-	-	-
<b>2. Non Institutions</b>									
a) Bodies	308051	22100	330151	6.60	308001	22100	330101	6.60	0
(i) Indian									
(ii) Overseas									
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	217016	353400	570416	11.41	217066	353400	570466	11.41	0
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1205116	511400	1716538	34.33	1205116	511422	1716538	34.33	0

Category of Shareholders	No. of Shares held at the beginning of the year (01.4.15)				No. of Shares held at the end of the year (31.03.2016)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others(Specify)	1327	-	1327	0.03	1327	-	1327	0.03	0
Sub-total(B)(2)	<b>1731510</b>	<b>86922</b>	<b>2618432</b>	<b>52.37</b>	<b>1731510</b>	<b>886922</b>	<b>2618432</b>	<b>52.37</b>	0
Total Public Shareholding (B)=(B)(1)+ (B)(2)	<b>1731510</b>	<b>86922</b>	<b>2618432</b>	<b>52.37</b>	<b>1731510</b>	<b>886922</b>	<b>2618432</b>	<b>52.37</b>	0
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	<b>4113078</b>	<b>86922</b>	<b>5000000</b>	<b>100.00</b>	<b>4113078</b>	<b>886922</b>	<b>5000000</b>	<b>100.00</b>	-

**ii. Shareholding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in Share holding during the
		No. of Shares	% of total Share of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Share of the Company	% of Shares Pledged/ encumbered to total shares	
1.	Ram Prasad Agarwala	387522	7.75	-	387522	7.75	-	-
2.	Rewa Devi Jhunjunwala	250000	5.00	-	250000	5.00	-	-
3.	Ram Prasad Agarwala	234900	4.70	-	234900	4.70	-	-
4.	Gaurav Jhunjunwala	189340	3.79	-	189340	3.79	-	-
5.	Hansa Agarwal	164000	3.28	-	164000	3.28	-	-
6.	Falgun Export Private Limited	161900	3.24	-	161900	3.24	-	-
7.	Narayan Prasad Agarwala	145800	2.92	-	145800	2.92	-	-
8.	Bhagwani Devi Agarwala	138900	2.78	-	138900	2.78	-	-
9.	Mr.Pawan Kumar Agarwal	138566	2.77	-	138566	2.77	-	-
10.	Manju Choudhury	124900	2.50	-	124900	2.50	-	-
11.	Pawan Kumar Agarwala	111700	2.23	-	111700	2.23	-	-
12.	Saurabh Jhunjunwala	105440	2.11	-	105440	2.11	-	-
13.	Renu Devi Jhunjunwala	91500	1.83	-	91500	1.83	-	-
14.	Narayan Prasad Agarwala	38900	0.78	-	38900	0.78	-	-
15.	Prima Financial Services Limited	35300	0.71	-	35300	0.71	-	-
16.	Mukund Jhunjunwala	23800	0.48	-	23800	0.48	-	-
17.	Lalitadevi Shyamsunder Murarka	18700	0.37	-	18700	0.37	-	-
18.	Ms.Hansa Agarwal	7000	0.14	-	7000	0.14	-	-
19.	Shilpi Jhunjunwala	5100	0.10	-	5100	0.10	-	-
20.	Gaurav Jhunjunwala	4700	0.09	-	4700	0.09	-	-
21.	Rewadevi Jhunjunwala	1400	0.03	-	1400	0.03	-	-
22.	Ram Prasad Agarwal	1200	0.02	-	1200	0.02	-	-
23.	Raja Jhunjunwala	1000	0.02	-	1000	0.02	-	-
	<b>Total</b>	2381568	47.63	-	2381568	47.60	-	-



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

Sr. No.		Shareholding at the beginning of the year (01.04.2015)		Cumulative Shareholding during the year (31.03.2016)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	2381568	47.63	2381568	47.63
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):	0	0	0	0
	At the End of the year	2381568	47.63	2381568	47.63

**(iv) Shareholding pattern of top ten shareholders (other than Directors, Promoters )**

Sr. No.		Shareholding at the beginning of the year (01.04.2015)		Shareholding at the end of the year (31.03.2016)	
		No. of shares of the company	% of total shares	No. of shares of the company	% of total shares
	For Each of the Top 10 Shareholders				
1	Chinniyam C	380000	7.60	380000	7.60
2	Ramalakshmi Rotar Spinning And Exporting Company Pvt Ltd	280000	5.60	280000	5.60
3	S Balaji	280000	5.60	280000	5.60
4	R Thangavelu	279000	5.58	279000	5.58
5	Radhika Choudhary	199920	4.00	199920	4.00
6	Jagriti Choudhary	138302	2.77	138302	2.77
7	Shivam Choudhary	125000	2.50	125000	2.50
8	Karuppannagounder Subramaniam	93000	1.86	93000	1.86
9	Purbi Shridhar	62016	1.24	62016	1.24
10	Deepak Kapoor	30000	0.60	30000	0.60

**(v) Shareholding of Directors and Key Managerial personnel (other than Promoters) :**

Sr. No.		Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company
	For Each of the Directors & KMP				
1	Mr. Ram Prasad Agarwal(Director)	783622	15.67	783622	15.67
2	Mr. Narayan Prasad Agarwal (Director)	404700	8.09	404700	8.09
3	Mr. Pawan Kumar Agarwal (Managing Director)	343266	6.87	343266	6.87
4	Mr. Saurabh Jhunjhunwala (Director)	105440	2.11	105440	2.11
5	Mr.Sital Kumar Banerjee	0	0	0	0
6	Mr. Jiwraj Khaitan	0	0	0	0
7	Mr. Virendra Sharma	0	0	0	0
8	Ms. Aarifa Dudhwala	0	0	0	0
9	Mr. Roshanlal Shaklani (Chief Financial Officer)	0	0	0	0
10	Mr. Suresh Verma (Company Secretary)	0	0	0	0

## V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding /accrued but not due for payment

Particulars	Secured Loans excluding deposits (In Rs.)	Unsecured Loans (In Rs.)	Deposits (In Rs.)	Total Indebtedness (In Rs.)
Indebtedness at the beginning of the financial year				
<b>i) Principal Amount</b>	443065823	6272750	-	449338573
<b>ii) Interest due but not paid</b>	81,605,126	-	-	8,16,05,126
<b>iii) Interest accrued but not due</b>	0	-	-	0
<b>Total (i+ii+iii)</b>	<b>52,46,70,949</b>	<b>62,72,750</b>	<b>-</b>	<b>44,93,43,723</b>
Change in Indebtedness during the financial year				
- Addition	-	1,846,536	-	-
- Reduction	20,617,964	-	-	200,00,245
<b>Net Change</b>	<b>20,617,964</b>	<b>-</b>	<b>-</b>	<b>59,494,211</b>
Indebtedness at the close of the financial year				
<b>i) Principal Amount</b>	<b>385,843,727</b>	<b>8,119,286</b>	<b>-</b>	<b>393,963,013</b>
<b>ii) Interest due but not paid</b>	<b>118,209,258</b>	<b>-</b>	<b>-</b>	<b>118,209,258</b>
<b>iii) Interest accrued but not due</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>0</b>
<b>Total (i+ii+iii)</b>	<b>504,052,985</b>	<b>8,119,286</b>	<b>-</b>	<b>512,172,271</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and / or Manager

Sr. No.	Particulars of Remuneration	Name of Managing Director/ Whole Time Director		Total Amount
		Pawankumar Agrawal		
1	Gross salary	Nil	-	Nil
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	-	-	-
	<b>Total(A)</b>	<b>-</b>	<b>-</b>	<b>-</b>
	Ceiling as per the Act	-	-	-

**B. Remuneration to other Directors:**

Sr. No.	Particulars of Remuneration	Name of Director / Manager		Total Amount
	Independent Directors	No remuneration was paid to any of the Independent Director		
	Fee for attending Board / Committee Meetings	-	-	-
	Commission	-	-	-
	Others – Please specify	-	-	-
	Total B ( 1 )	-	-	-
	Other Non Executive Directors	No remuneration was paid to any other Non Executive Director		
	Fee for attending Board / Committee Meetings	-	-	-
	Commission	-	-	-
	Others – Please specify [ Salary ]	-	-	-
	Total B ( 2 )	-	-	-
	Total B ( 1 + 2 )	-	-	-
	Overall Ceilings as per Act	N.A.	N.A.	N.A.

**C. Remuneration to Key Managerial Personnel Other Than MD / Manager / WTD**

Sr. No.	Particulars of Remuneration	CEO	Chief Financial Officer	Company Secretary	Total Amount in Rs.
			(Shri Roshan Lal Saklani)	(Shri Suresh Kumar Verma)	
			(Amount in Rs.)		
1	Gross salary	-	6,29,66,4	1,22,96,66	18,59,330
a	Salary as per provisions contained in Section 17 (1) of the Income-tax Act,1961	-	6,29,664	10,82,605	17,12,269
b	Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	1,47,061	1,47,061
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 (C)	-	6,29,664	12,29,666	18,59,330



**VII. 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 details)
<b>A. Company</b>					
Penalty					
Punishment			NIL		
Compounding					
<b>B. Directors</b>					
Penalty					
Punishment			NIL		
Compounding					
<b>C. Other Officers In Default</b>					
Penalty					
Punishment			NIL		
Compounding					



**Annexure IV**

**Form No. MR-3 For the financial year ended on 31st March, 2016**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies  
(Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,  
**Frontline Corporation Limited**

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Frontline Corporation 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 my opinion thereon.

Based on my verification of the Frontline Corporation Limited books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31 March, 2016 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 31 March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings.
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (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 (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
  - (h) The Securities and Exchange Board of India (Buy Back of Securities) Regulations, 1998

And in general, the Company has systems, process and procedure for the compliance of Other Laws Applicable to the Company.

The Electricity Act, 2003

National Tariff Policy

Motor Vehicles Act, 1988

The Motor Transport Workers Act, 1961

The Air (Prevention and Control of Pollution) Act, 1981

Employees State Insurance Act

Employees Provident Fund Act

Service Tax Act, 1944

Income Tax Act, 1961

Gujarat Value Added Tax Act, 2003

West Bengal Value Added Tax Act

Central Sales Tax Act, 1957

Professional Tax Act

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited, ASE Limited and The Calcutta Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, guidelines, standards etc mentioned above subject to the following:

- A) Delayed filing of certain forms with the Ministry of Corporate Affairs required under the Companies Act, 2013. However for late filing of forms the Company has paid additional fees.
- B) The Company has given Security / Guarantee to the Bankers for the loans obtained by M/s. Fairdeal Supplies Limited in violation of erstwhile Companies Act, 1956 which is still continuing.
- C) Further with respect to the advances to M/s. Gateway Commodities Pvt. Ltd. we request the members to refer the Balance Sheet and the Statutory Auditors Report remarks. The advances to M/s. Gateway Commodities Private Limited were given under the erstwhile Companies Act, 1956.
- D) Further with respect to the annual disclosure required to be submitted under the SEBI (Substantial Acquisition of Share Takeover) Regulations, 2011 the annual disclosures have been made by the Promoters of the Company to the Stock exchange. However the Company has not made the annual disclosures to the exchange.
- E) Further some of the listing compliances were not done in time.

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.

Adequate notice is given to all the 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.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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

- (i) Public/Rights/Preferential issue of Shares/debentures/ sweat equity of the Company.
- (ii) Redemption/buy-back of securities.
- (iii) Major decisions taken by the members in pursuance to Section 180 of the Companies Act, 2013.
- (iv) Merger/ amalgamation/ reconstruction etc.
- (v) Foreign technical collaborations.

For, **JALAN ALKESH & ASSOCIATES**  
**COMPANY SECRETARIES**

SD/-

**ALKESH JALAN**  
**PROPRIETOR**

Date: 19<sup>th</sup> August, 2016  
Place: Ahmedabad

**'Annexure A'**

To,

The Members  
Frontline Corporation Limited

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company.  
Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. 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.

For, **JALAN ALKESH & ASSOCIATES**  
**COMPANY SECRETARIES**

Date: 19<sup>th</sup> August, 2016  
Place: Ahmedabad

Sd/-

**ALKESH JALAN**  
**PROPRIETOR**



**ANNEXURE V**

**REMUNERATION POLICY:**

In accordance with the provisions of Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee recommended the following remuneration policy relating to the remuneration for the Directors, Key Managerial Personnel and other employees, which was approved and adopted by the Board.

**I. PREAMBLE:**

This Remuneration Policy is formulated in compliance with Section 178 of the Companies Act, 2013, read with the applicable Rules thereto and SEBI ( Listing Obligations and Disclosure Requirements ) Regulations, 2015 entered into by the Company as amended from time to time. This Policy has been formulated by the Nomination and Remuneration Committee (NRC) and has been approved by the Board of Directors based on the recommendations of the NRC.

**II. OBJECTIVE:**

The objective of the Policy is to ensure that:

- i) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the Company successfully.
- ii) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- (iii) Remuneration to directors, key managerial personnel and senior management 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.

**III. COMPLIANCE WITH APPLICABLE LAWS:**

The procedure and limits for payment of remuneration under this policy shall be in accordance with provisions of (a) the Companies Act, 2013 read with Rules framed thereunder, (b) Listing Agreement with Stock Exchanges, (c) Articles of Association of the Company and (d) any other applicable law or regulations. In the absence of any of the above provisions, the procedure and limits shall be governed by the prevailing HR Policy of the Company.

**IV. REMUNERATION TO NON-EXECUTIVE DIRECTORS:**

- (i) Sitting fees within the limits prescribed under the Companies Act, 2013 and rules framed thereunder for attending meetings of the Board and Committees thereof
- (ii) Commission up to 1% of net profit as may be decided by the Board
- (iii) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.

**V. REMUNERATION TO KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT:**

**i) Components:**

Basic salary

Allowances

In kind (car, house, etc.)

Retirals

Reimbursements

Variable Pay

Stock Options

**ii) Factors for determining and changing remuneration:**

Factors:

Existing compensation

Qualification

Experience

Salary bands

Individual performance

Market benchmark

**iii) Variable incentive pay (including Stock Options)**

**Factors:**

Individual Performance	Business/Company Performance
Grade	Return on Assets
Performance Rating	EBIDTA
Comparative performance with KMPs	Operational Revenue (YOY/Budget)
	Return on Investments
	HSE

Remuneration to directors, key managerial personnel and senior management 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.

**VI. REMUNERATION TO OTHER EMPLOYEES:**

**Components:**

Basic Salary, Allowances, Retiral Benefits, such other perquisites and/or incentives and/or bonus and/or Variable Incentive Pay (including ESOP) based on factors as above, as may be decided by the Management from time to time as per HR Policy.

**CRITERIA FOR IDENTIFICATION OF PERSONS FOR APPOINTMENT AS DIRECTORS AND IN SENIOR MANAGEMENT:**

In accordance with the provisions of Section 178(3) of the Act read with SEBI ( Listing Obligations and Disclosure Requirements ) Regulations, 2015 the Nomination and Remuneration Committee is required to formulate the criteria for determining qualifications, positive attributes and independence of a Director. The criteria adopted by the Nomination and Remuneration Committee for the aforesaid purpose are as under:

Criteria for determining qualifications, positive attributes and independence of a director:

**I. QUALIFICATIONS:**

- a) He / She should possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the company's business.
- (b) Such qualifications as may be prescribed under the Companies Act, 2013 read with rules framed thereunder and the Listing Agreement with Stock Exchanges.

**II. POSITIVE ATTRIBUTES:**

- a) He /She should be a person of integrity, with high ethical standard.
- (b) He /She should be able to commit to his/her responsibilities and devote sufficient time and attention to his/her professional obligation as a director.  
I He/ She should be having courtesy, humility and positive thinking.
- (d) He/ She should be knowledgeable and diligent in updating his/her knowledge.
- (e) He/ She should have skills, experience and expertise by which the Company can benefit.
- (f) In respect of Executive/Whole time Director/Managing Director, in addition to I (a) & (b) and II (a) to (e) above, he/she should have strong quality of leadership and team mentoring, recognition, management skills, vision, ability to steer the organization even in adverse conditions, innovative thinking, result oriented and ability to enhance reputation of the organization.

**III. INDEPENDENCE:**

In respect of an Independent director, in addition to I (a) & (b) and II (a) to (e) above, he/ she should fulfill the criteria for being appointed as an Independent Director prescribed under section 149 of the Companies Act, 2013 read with Schedule IV to the said Act and the provisions of SEBI ( Listing Obligations and Disclosure Requirements ) Regulations, 2015 as amended from time to time.

By order of the Board of Directors of  
**Frontline Corporation Limited**

Sd/-

Place : Ahmedabad  
Date : August 19, 2016

**Pawan Kumar Agarwal**  
Managing Director  
[ DIN 00060418 ]

## ANNEXURE VI

### Disclosure under Section 197(12) and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Ratio of remuneration of each director to the median remuneration of the employees of the company for the financial year ended 31 March, 2016

Sr.	Name of the Director No	Remuneration per annum (In Rs.)	Median Remuneration per	Ratio annum (In Rs.)
1	Mr. Ram Prasad Agarwal	0	191400	N.A.
2	Mr. Narayan Prasad Agarwal	0	191400	N.A.
3	Mr. Pawan Kumar Agarwal	0	191400	N.A.
4	Mr. Saurabh Jhunjhunwala	0	191400	N.A.
5	Mr. Sital Kumar Banerjee	0	191400	N.A.
6	Mr. Jiwraj Khaitan	0	191400	N.A.
7	Mr. Virendra Sharma	0	191400	N.A.
8	Ms. Aarefa Oanali Dudhwala	0	191400	N.A.

2. **During the year under the review no remuneration was paid to any Director of the Company.**

During the year 15 – 16, the Company has paid remuneration of Rs. 629664/- to Mr. Roshan Lal Saklani, Chief financial officer of the Company. During the year 14-15, the Company has paid remuneration of Rs. 543630/- Mr. Roshan Lal Saklani , Chief financial officer of the Company. The % increase during the year was 15.82%.

During the year 15 – 16, the Company has paid remuneration of Rs. 12,29,666/- to Mr. Suresh Kumar Verma, Company Secretary. During the year 14-15, the Company has paid remuneration of Rs. 11,15,746/- to Mr. Suresh Kumar Verma, Company Secretary of the Company. The % increase during the year was 10.21%.

3. Percentage increase in median remuneration of employees in the financial year – 49%
4. The number of permanent employees on the rolls of the company as on 31 March, 2016 – 97
5. During the year on average there was 22.93% of increase in the remuneration of employees in comparison to the previous year which is in line with the current year's performance, market dynamics and as a measure to motivate the employees for better future performance to achieve organization's growth expectations.
6. 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. :

Pursuant to Rule 5(1) (xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel and senior management is as per the Remuneration Policy of your Company.

ANNEXURE VII

MANAGEMENT DISCUSSION AND ANALYSIS

**Industry Scenario /opportunity & Out Look / Risk & Concern:**

Your Company is basically engaged in Transportation, Wind Energy and Trading of Automotive Parts, Renting of Immovable Properties. The details in respect of sector wise outlook, strengths, threats and risks attached to each segment, performance of the Company in each segment is mentioned as under:

**Transport Sector:**

The road transportation industry has been the most significant constituent of the Indian logistics industry. However, the segment continues to struggle to cater to the country's size and widely spread consumption hubs.

**Opportunities in Transport Sector:**

Increase in economic development of the Country will ultimately require increase in transportation of goods and Services. Further Road Transportation is one of the cheapest mode of transport and goods can be transported from one place to another, even in remote areas. Furthermore due to increase in prices of land, big industries are located in remote areas and which provides more opportunity for the transportation sector. Further, improvement in the quality of road infrastructure has played a critical role. Further reduction in price of diesel is also attracting the Road transport. Further the introduction of Goods and Services Tax will be a crucial factor for

**Strength of the Company in Transport Sector :**

Your Company has more than 100 Commercial Vehicles and has entered into contract with various companies for the transportation of goods. The Company has experience of more than 2 decades in the Transportation Sector. Thus the Company has good network in the field of the transportation Sector.

**Weakness of the Company in Transportation Sector:**

Competition is one of the factors affecting the performance of the Company. Further the Sector requires capital investment which is getting costlier day by day for the purchase of new commercial vehicles. Lack of ability of the Company to invest in new commercial vehicles is one of the major weaknesses of the Company.

**Risk in Transportation Sector:**

Increase in overhead costs is also another risk associated with the transportation Sector. Further customers do not pay in proportion to the increase in the input prices, if any.

High cost of manpower also affects the transportation sector.

Further slowdown in the economic activity of the industries also affects the growth of the Sector.

**Performance of the Company in Transportation Sector:**

During the year under review, your Company continued to get / renewed transportation Contracts from valued customers to cater needs of its valued clients. The Revenue from Transport Operations marginally decreased from Rs. 13.37 Crores to Rs 12.07 Crores registering a decline of 9.75%

**Trading in Automotive Parts:**

**Industry Scenario /opportunity & Out Look / Risk & Concern:**

The growth outlook for the automotive aftermarket industry in India continues to be positive, driven by sustained increase in vehicle population and a shift towards higher-end vehicles.

Except for large automotive distributors, players across the aftermarket faced margin pressure in the last few years. This trend is likely to continue as most players in the Indian aftermarket are still sub-scale and will be at risk of margin decline due to pricing pressures as well as rising costs.

**Opportunities of the Company in Automotive Parts:**

Your Company has distributorship of BOSCH Ltd and also of Mahindra & Mahindra Ltd, which are very reputed international brands. Sale of such branded parts provides customer satisfaction and more demand from the Customers.

**Strengths of the Company in Automotive Parts:**

Your Company is acting as the Main Distributor for Auto Components manufactured by "BOSCH Ltd." for the Automotive Aftermarket and supplies such spares to Authorised Service Centers of Bosch as well as to retail outlets and neutral garages and workshops.

BOSCH is the global leader in Automotive Components and "BOSCH" brand products come as OE fitments in all ranges of vehicles worldwide. With newer models of vehicles being introduced in the market every year, the business has very good potential in future.

Your Company is acting as the Super Distributor for Auto Components & Farm Equipment manufactured by "Mahindra & Mahindra Ltd.," for the Automotive Aftermarket. With newer models of vehicles being introduced in the market every year, the business has very good potential in future.

**Risk of the Company in Automotive Parts:**

The margins from the automotive parts depend upon the policy and pricing of components by BOSCH Ltd and by Mahindra & Mahindra Ltd over which the Company has no control.

Manufacturing of parts by local suppliers at cheap rate is also another risk associated with the automotive parts.

**Performance of the Company in Automotive Parts:**

The Revenue from trading Operations of automotive parts of "BOSCH" and "Mahindra & Mahindra Ltd" increased from Rs. 21.43 Crores to Rs. 24.26 Crores registering an increase of 18.88%.

**Wind Energy Generation:**

**Industry Scenario & Out Look:**

India is moving towards energy sufficiency and at the same time emphasis is improving on renewable energy contribution. Emphasis of the Government is adding up renewable energy. Accelerated depreciation will help in furthering the cause of commissioning more wind mills.

**Opportunities in Wind Energy Sector:**

Thermal and Coal Power projects involve storage, transportation and pollution problems and hence Wind Energy is one of the cleanest sources of energy. Wind industry is attracting large investments.

Policies of the government are enabling the company to supply quality power to the consumers. Company has realized revenue faster from the group captive consumers than selling power to the utility.

**Strength of the Company in Wind Energy Sector:**

Your Company has installed Wind mills in the strategic areas whereby wind blows at a faster pace which helps the Company to generate more energy. It is one time investment leading to returns for number of years.

**Weakness of the Company in Wind Energy Sector:**

Competition from other energy source like Thermal, Solar and Bio Mass is impacting Wind Energy badly. Company has to follow industry norms and compete. Once the industrialization picks up, we may expect the prices to go up again.

**Risks in Wind Energy Sector:**

Generation of wind energy depends upon the weather. A good monsoon will enable generation of more power. Government policies also play an important role in determining the prices and also availability of Grid to export power to our consumers.

Our power is being utilized by the group captive consumers. Company may face problem if our consumers are facing impact on international / national prices of the commodities.

Performance of the Company in Wind Energy Sector:

The Revenue from Operations of the division decreased from Rs. 1.53 Crores to Rs. 1.28 Crores registering a decrease of 15.9%

**Renting of immovable properties:**

**Industry Scenario & Outlook:**

During the year under the review, the real sector has witnessed slowdown. The Slowdown in real sector is mainly due to huge supply and lower growth of economy. Rentals from real estate have also come down significantly. However it is expected that the demand of the real estate will increase in the years to come forward. Central Government and State Government also play an important role in the growth of the Sector.

**Opportunities of the Company in Real Sector:**

High Population growth and rapid expansion of the urban area, resulting in higher demand for real estate. Further the company expects that in the years to come the economy will improve and will result in more demand which will also lead to increase in rental income and rental business.

**Weakness of the Company in Real Sector:**

Huge Interest Burden and liquidity crisis is one of the major weaknesses of the Company to invest in the real estate.

**Risk of the Company in Real Sector:**

High Investment in the Real Sector is one of the major risks that the Company foresee in the real estate. Further rentals from real estate will depend upon the growth of the economy.

In the recent past Bankers have attached / taken possession some of the properties from which the Company use to derive its rental income.

**Performance of the Company in Real Sector:**

The Revenue from Operations of the division decreased from Rs. 1.07 Crores in comparison to Rs. 0.69 Crores registering a decrease of 35.11%.

**Internal Control Systems and their adequacy:**

The Company maintains adequate internal control systems, which provides, among other things, reasonable assurance of recording the transactions of its operations in all material respects and of providing protection against significant misuse or loss of company's assets.

Internal Controls are adequately supported by internal audit and periodical review of by the management. The audit committee meets periodically to review with the management and statutory auditors, financial statements. The Audit Committee also meets with the internal auditors to review adequacy /scope of internal audit function, significant findings and follow up thereon and finding of abnormal nature.

Your Company has installed CCTV in some of its Divisions, which acts as safeguarding the assets from theft/ burglary or any unforeseen events.

**Human Relations:**

Relations with the employees of the Company at various levels remained harmonial during the year under the review. The Company is making its best efforts to retain and attract talented employees. During the year under the review, the Company has complied with all legislative provisions of labour laws. As at 31st March, 2016 the Company has around 92.

**Cautionary Statements:**

Statements in this Directors' Report & Management Discussion and Analysis describing the Company's Objectives, projections, estimates, expectations, or prediction may be "forward looking statements " within the meaning of applicable securities laws and regulations. Actual result might differ materially from those expressed or implied.

The Company assumes no responsibility in respect of the forward looking statements herein, which may undergo changes in future on the basis of subsequent developments, information or events.

**The Corporate Governance & Management Discussion & Analysis ( MDA) Report:**

The Corporate Governance & Management Discussion & Analysis (MDA) Report forms part of the Annual Report. The Certificate from the Statutory Auditors of the Company certifying compliance of the conditions of the Corporate Governance as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to the report on Corporate Governance.



## Annexure – VIII

### CORPORATE GOVERNANCE REPORT

**1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

The Company's philosophy is to conduct its affairs in a manner which is transparent, Clear and evident to those dealing with or having a stake in the Company namely shareholders, lenders, creditors and employees. The Company's philosophy on corporate Governance is thus concerned with the ethics and values of the Company and its Directors, who are expected to Act in the best interest of the Company and remain accountable to shareholders and other beneficiaries for their Action.

The Company is committed to provide high quality product and services to its customers and stakeholders, because the Company believes that its long-term survival is entirely dependent on good corporate governance.

**2. BOARD OF DIRECTORS:**

As on 31<sup>st</sup> March, 2016 strength of the Board of Directors is 8 (Eight).

Attendance of each Director at the Board Meetings and last Annual General Meeting

Name of the Director & Age	Executive/ Non-executive/ Independent	No. of sharehold in the Company	No. of Board meetings attended	Attendance at the Last AGM	No. of outside Director-ship held	Total No. Memberships/ Chairmanship of Committees	
						Member	Chairman
Ram Prasad Agarwal Age - 62 years	Non Executive Director and Promoter	623622	4	Yes	3	-	-
Narayan Prasad Agarwal Age - 58 years	Non Executive Director and Promoter	184700	6	Yes	3	-	-
Pawan Kumar Agarwal Age - 56 years	Managing Director - Executive and Promoter	250266	7	Yes	3	-	-
Saurabh Jhunjhunwala Age - 40 years	Non Executive	105440	5	Yes	1	-	-
Virendra Sharma Age - 62 years	Independent	-	7	Yes	2	-	-
Jiw Raj Khaitan Age - 78 years	Independent Director	-	4	No	0	0	0
Sital Kumar Banerjee Age - 78 years	Independent Director	-	4	No	0	0	0
Aarefa Oanali Dudhwala Age - 25 years	Independent / Women Director	-	5	No	1	2*	0

\* Member of Stakeholders relationship Committee and Nomination and Remuneration Committee of Eureka Industries Limited.

- (1) Disclosure of Chairmanship & Membership includes membership of Audit and Stakeholder Relationship Committees in other Public Limited Companies.
- (2) Other directorships do not include alternate directorship, directorship of Private Limited Companies, Section 8 Companies of the Companies Act, 2013 and Foreign Companies.
- (3) None of the Directors of Board is a member of more than ten Committees and no Director is Chairman of more than five committees across all the Public companies in which they are Director. The necessary disclosures regarding Committee positions have been made by all the Directors.
- (4) None of the Independent Director of the Company is holding position of Independent Director in more than 7 Listed Company. Further, none of the Director of the Company serving as a Whole-Time Director in any Listed Company and is holding position of Independent Director in more than 3 Listed Company.
- (5) None of the Non-executive Directors has any pecuniary relationship, except Mr. Ram Prasad Agarwal, Mr. Narayan Prasad Agarwal and Mr. Pawan Kumar Agarwal, Directors of the Company are related to each other. Non-executive Directors have no transaction with the Company. No remuneration is paid to any Director of the Company.

During the year the Board of Directors met 8 times. The dates of the Board meetings are as under 20/04/2015, 15/05/2015, 30/05/2015, 31/07/2015, 14/08/2015, 31/08/2015, 14/11/2015 and 13/02/2016.

All the relevant information such as operating cost, sales, financial results, capital expenditure proposals and statutory dues, among others, are as a matter of routine, placed before the Board for its approval/information. The gap between two Board meeting(s) does not exceed 120 days.

Shri Saurabh Jhunjunwala and Shri Narayan Prasad Agarwal, Directors of the Company retire by rotation and being eligible offer themselves for re-appointment. The information required to be furnished in terms of Listing Regulations is as under:

<b>Name of the Director</b>	<b>Shri Saurabh Jhunjunwala</b>	<b>Shri Narayan Prasad Agarwal</b>
<b>Date of Birth</b>	11.01.1976	16.07.1959
<b>Date of joining the Board of Director of the Company</b>	01.12.1999	04.12.1989
<b>Educational qualification</b>	B.Com	B.Com
<b>Number of Shares held in the Company</b>	105440	184700
Directorship in other Companies [ Other than Private Limited Companies, Section 25 Company incorporated under Companies Act, 1956 and Section 8 Company incorporated under Companies Act, 2013)and committees ( other than Frontline Corporation Ltd )	Fairdeal Supplies Ltd.,	Fairdeal Supplies Ltd., Frontline Industries Limited Prima Financial Services Limited
Specific Functional Areas	Shri Saurabh Jhunjunwala aged about 40 years is a Commerce Graduate having about 20 years of experience in administration. He is the son of Shri Ramprasad Agarwal. He is looking after the day-to-day management of Kolkata Office.	Shri Narayanprasad Agarwal aged about 55 years, is a Promoter Director of the Company since 04.12.1989. He is a Commerce Graduate from St. Xavier's College, Calcutta and has more than 32 years of rich experience mainly in the financial activities of their own Group Companies. He is also involved in active trading and supplies of Coal, Coke and Chemicals like Soda Ash.

**INDEPENDENT DIRECTORS MEETING:**

Schedule IV to the Act, inter alia, prescribes that the Independent Directors of the Company shall hold at least one meeting in a year, without the attendance of the non-independent directors and members of the management. During the year, one meeting of independent directors was held on 15<sup>th</sup> May, 2015. Shri Virendra Sharma was unanimously elected as the Chairman of the Meeting of the Independent Directors. In addition to Mr. Virendra Sharma, the Independent Director meeting was attended by Ms. Aarefa Dudhwala, Shri Jiwraj Khaitan and Shri Sital Kumar Banerjee. At the meetings, the Independent Directors reviewed the performance of the non-independent directors (including the chairperson) and the Board as a whole and assessed the quality, quantity and timeliness of flow of information between the company, management and the Board that is necessary for the Board to effectively and reasonably perform their duties

**Board Committee:-**

**Audit Committee**

**(i) Qualified & Independent Audit Committee:**

Pursuant to the provision of Section 177 of the Companies Act, 2013 and in accordance with SEBI ( Listing Obligations and Disclosure Requirements ) Regulations, 2015 your Company has constituted an audit committee. The power of the audit committee, terms of reference and role of the audit committee are in conformity with the provision of Section 177 of the Companies Act, 2013 and SEBI ( Listing Obligations and Disclosure Requirements ) Regulations, 2015 .

The committee at present comprises of three non-executive independent directors. All the members have good financial knowledge. The composition of the Audit committee and the attendance of each director at these meetings are given below:-

Sr. No.	Director	Category of Directorship	Chairman/ Member	No.of Meetings held	No. of Meeting attended
1.	Shri Virendra Sharma	Independent Director	Member/ Chairman	4	4
2.	Shri Saurabh Jhunjunwala	Non-Executive Director	Member	4	4
3.	Smt. Aarefa Dudhwala	Independent Director	Member	4	4

Mr. S K Verma, Company Secretary, acts as the Secretary to the Committee.

Representatives of Statutory auditors, internal auditors are invited from time to time depending upon the requirement of the committee to attend the meeting.

The Minutes of the Audit Committee are placed before the next Board Meeting. All the recommendations of the audit committee were accepted by the Board.

The Chairman of the Audit Committee was present at the Annual General Meeting of the Company to answer shareholders query.

During the year under the review, the audit committee met 4 times during the year 2015—2016 on 30.05.2015, 14.08.2015, 14.11.2015 and 13.02.2016.

No bonus shares and stock options are issued to any of the directors.

**2. Nomination and Remuneration Committee:**

The Remuneration Committee following are the members and their attendance at Committee Meetings:-

Sr. No.	Name of Directors	Category of Directorship	Status	No.of Meetings held	No. of Meeting attended
1	Shri Virendra Sharma	Independent Director	Chairman	2	2
2	Smt. Aarefa O. Dudhwala	Independent Director	Member		2
3	Shri Saurabh Jhunjunwala	Non-Executive Director	Member		2

The Company has appointed a Remuneration Committee. The reappointment of the Managing Director with remuneration had been recommended by the committee and was subsequently approved by the Board.

**1. Shareholders'/ Investors' Grievance:**

The Shareholders'/ Investors' Grievance Committee was formed by the Board of Directors on 30th January, 2003 to ensure the effective redressal of the complaints of the investors. The Committee looks into issues relating to shareholders, including transfer/transmission of Shares, issue of duplicate share certificates, non- receipt of dividend, Annual Reports etc. The Committee meets to review status of investor grievances ratify share transfers, approve transmission of shares and issue duplicate share certificates from time to time. Besides, officers of the Company have been authorised to approve issue of share certificates, approve transfer/ transmission of shares/consolidation, sub-division, split of share certificates, etc. The Committee also recommends steps to be taken for further implementation in the quality and services to the investors.

During the year under review, the Committee met 4 times on 30.05.2015, 14.08.2015, 14.11.2015 and 13.02.2016.

The Following are the Members and their attendance at committee meetings.

Sr. No.	Name of Director	Status	Category of Directorship	No. of Meeting attended
1	Shri Virendra Sharma	Member/ Chairman	IndependentDirector	4
2	Shri Saurabh Jhunjunwala	Member	Non-ExecutiveDirector	4
3	Ms. Aarefa Oanali Dudhwala	Member	IndependentDirector	4

The minutes of Shareholders Grievance Committee are discussed and taken note of by the Board of Directors. Shri S. K. Verma, Company Secretary of the Company has been designated as Compliance Officer. The particulars of Investors Grievance received and redressed during the financial year are furnished below:-

Particulars	Received	Redressed
1. Non-receipt of Share Certificates	NIL	NIL
2. Non-receipt of Dividend Warrants	NIL	NIL
3. Non-receipt of Balance Sheet	NIL	NIL
4. For Demat	NIL	NIL
5. Others	NIL	NIL

During the year, No complaint letter was received from the shareholder. There was no pending complaint from the shareholders as on 31.03.2016.

**4. GENERAL BODY MEETINGS:**

The last three annual General Meetings were held as under:

Sr. No.	Financial Year	Day and Date	Time	Location
1	2012 - 2013	Monday, 30.09.2013	10.00 a.m.	4, B. B. D. Bag (East), Room No. 5 Stephen House,1st Floor, Kolkata - 700 001
2	2013 - 2014	Tuesday, 30.09.2014	10.00 a.m.	4, B. B. D. Bag (East), Room No. 5 Stephen House,1st Floor, Kolkata - 700 001
3	2-14 - 2015	Wednesday 30-09-2015	10.00 a.m.	4, B. B. D. Bag (East), Room No. 5 Stephen House,1st Floor, Kolkata - 700 001

The Company had passed special resolutions at the annual general meeting held during the last three years. The short details of special resolutions passed are as under:

Financial Year	Particulars of Special resolutions passed
2012 - 2013	Nil
2013 - 2014	1. Borrowings in excess of the Paid up Share Capital and free reserves pursuant to provision of Section 180 (1) (c) of the Companies Act, 2013. 2. Creation of Charges on the assets of the Company pursuant to provision of Section 180 ( 1 ) ( a ) of the Companies Act, 2013
2014 - 2015	1. Approval for Related Party transaction pursuant to provision of Section 188 of the Companies Act, 2013

No resolution is proposed to be passed through postal ballot at the forthcoming annual general meeting. No resolution was passed through postal ballot during last three annual general meetings.

**5. MEANS OF COMMUNICATION:**

Your Company complies with Clause 41 of the Listing Agreement. Quarterly Results, Annual Result and other statutory publications are being normally published in Dainik Lipi (Bengali ) & Business Standard (English). Further results are also displayed on the Company's website. [www. http://frontlinecorporation.org](http://frontlinecorporation.org)

**6. GENERAL SHAREHOLDER INFORMATION:**

(i)	Annual General Meeting Day, Date, Time and Venue	Day : <b>Tuesday</b> Date: 27 <sup>th</sup> September, 2016 Time: 10.00 a.m. Venue : 4, B. B. D. Bag (East), Room No. 5 Stephen House,1st Floor, Kolkata - 700 001
(ii)	Next Financial Calendar Year	1 <sup>st</sup> April, 2016 to 31 <sup>st</sup> March, 2017 ( tentative )
(iii)	Date of Book Closure	21 <sup>th</sup> September, 2016 to 27 <sup>th</sup> September, 2016 (both the days inclusive)
(v)	ISIN No. for ordinary shares of the Company in Demat form	<b>INE092D01013</b>
(vi)	Registered Office	4, B. B. D. Bag (East), Room No. 5 Stephen House, 1st Floor, Kolkata - 700 001
	Corporate Office	4th Floor, Shalin Building, Near Nehru Bridge Corner, Ashram Road, Ahmedabad – 380 009
(vii)	Registrar and Transfer Agent	Bigshare Services Private Limited, A-802, Samudra Complex Near Klassic Gold Hotel, Girish Cold Drink , Off C G Road , Navrangpura, Ahmedabad Gujarat – 380009 Phone No. -079-40024135, Mob. 9971542155
(ix)	Investor Correspondence	Bigshare Services Private Limited, A-802, Samudra Complex, Near Klassic Gold Hotel, Girish Cold Drink Off C G Road , Navrangpura, Ahmedabad Gujarat –380009
(x)	Means of Communication	The Company sends its quarterly results in Stock Exchanges. Further the same is also published in the news papers.
(xi)	Any Website where it displays official releases	<a href="http://www.frontlinecorp.org">www.frontlinecorp.org</a>
(xii)	Any presentation made to the institutional investor and analyst	No
(xiii)	Is half yearly report sent to the shareholders	No
(xiv)	Whether Management Discussion and Analysis is a part of this report	Yes
(xv)	Share Transfer System	The work of physical share transfer is presently handled by Registrar and Transfer Agent.
(xvi)	Listing and Stock Code	The Calcutta Stock Exchange Association Limited- CSE: F 057BSE BSE Limited- BSE : 532042 Ahmedabad Stock Ex- change Limited- ASE : 17661/FrontLINENET

(xvii)	The name and address of Stock Exchanges where Company is listed	The Calcutta Stock Exchange Association Ltd., 7, Lyons Range, Kolkata – 700 001. Ahmedabad Stock Exchange Ltd., Kamdhenu Complex, Opp. Sahajanand College, Panjra -pole, Ahmedabad – 380 015. BSE Ltd., Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001.
(xviii)	Auditors for the FY 2015-16 and Proposed Auditors for the FY 2016 - 2017	M/s. Paresh Thothawala & Co., Chartered Accountants
(iix)	Branch Auditor	M/s. VPC & Associates, Chartered Accountants, Kolkata
(xx)	Compliance Officer	Shri Suresh Kumar Verma, Company Secretary

**7. FINANCIAL CALENDER:**

Report Period	: From 1 <sup>st</sup> April 2016 to 31 <sup>st</sup> March 2017
First Quarter Result	: Second Week of August, 2016 (tentative)
Second Quarter Result	: Second Week of November, 2016 (tentative)
Third Quarter Result	: Second Week of February, 2017 (tentative)
Fourth Quarter Result	: Last Week of May, 2017 (tentative)

**8. DISTRIBUTION OF SHAREHOLDINGS AND SHARE HOLDING PATTERN  
(AS ON 31-03-2016):**

**SHAREHOLDING PATTERN:**

Category	No. of Share holders	% of holding to total	No. of Share held
Promoters, Directors, & other entities of Promoters	23	47.63	2381568
Corporates	19	6.60	330151
Mutual Funds	NIL	NIL	0
Resident Indian	544	45.74	2286954
Non Resident Indian	2	0.03	1327
Total	587	100.00	50,00,000

**Market Price Data**

Your Company had made all compliances as required by BSE Limited for Revocation of Suspension of Trading of securities on their Stock Exchange. Besides above, there was no instance of Non-compliance of any matter related to the capital markets during the last three years.

As informed by Ahmedabad Stock Exchange Ltd. BSE Limited and Calcutta Stock Exchange the Shares of the Company were not traded at their Stock Exchange.

**1. DISCLOSURES:**

(a) **Materially significant related party transactions**

All the Related Party Transactions are forming part of the notes to the Balance Sheet. Other than those there was no materially significant related party transaction with its promoters, Directors or the management, their subsidiaries or relatives etc. that had a potential conflict with the interest of the Company at large.

(b) **Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchange or Securities and Exchange Board of India (SEBI) or any Authority on any matter related to capital markets during last three years: NIL**

(c) **Whistle Blower Policy**

In accordance with the requirements of the Act, read with the Listing Regulations, 2015 the Company has a Whistle Blower Policy approved by the Board of Directors. The objectives of the policy are:

- a. To provide a mechanism for employees and directors of the Company and other persons dealing with the Company to report to the Audit Committee; any instances of unethical behavior, actual or suspected fraud or violation of the Company's Ethics Policy and
- b. To safeguard the confidentiality and interest of such employees/directors/other persons dealing with the Company against victimization, who notice and report any unethical or improper practices.
- c. To appropriately communicate the existence of such mechanism, within the organization and to outsiders. Whistle blower policy is available on website of the Company.

The Company confirms that no personnel has been denied access to the audit committee pursuant to the whistle blower mechanism

(d) **Familiarisation Programme:**

The Company has a detailed familiarization programme for Independent Directors to familiarize them with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the company operates, business model of the Company etc. The details of such programme are available on the website of the Company. i.e. [www.frontlinecorporation.org](http://www.frontlinecorporation.org).

The Company has laid down procedures to inform the Board Members about the risk assessment and risk mitigation mechanism, which is periodically reviewed and reported to the Board of Directors by senior executives.

( e ) **Disclosure of accounting treatment different from accounting standards: None**

( f ) **Subsidiary Company: The Company does not have any subsidiary Company.**

( g ) **Policies:**

The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 mandated the formulation of certain policies for all listed Companies. All our Corporate Governance policies are available on our website ([www.frontlinecorporation.org](http://www.frontlinecorporation.org)). The policies are reviewed periodically by the Board and updated based on need and new compliance requirement.



Name of Policy	Brief Description	Web Link
Code of Conduct	The Company has formulated and adopted code of Conduct for the Senior Management and officers of the Company.	<a href="http://www.frontlinecorporation.org">www.frontlinecorporation.org</a>
Remuneration Policy	The policy formulated the criteria for determining qualifications, Competencies, Positive attitude and independence for appointment of a Director (Executive/Non-Executive) and also the Criteria for determining the remuneration of the directors, Key Managerial Personnel and other employees.	<a href="http://www.frontlinecorporation.org">www.frontlinecorporation.org</a>
Insider Trading Policy	The Company has adopted the policy for regulate, monitor, and report trading by insiders & code of fair disclosure of unpublished price sensitive information for the Directors, KMP and other designated officers and connected persons of the Company	<a href="http://www.frontlinecorporation.org">www.frontlinecorporation.org</a>
Risk Management Policy	The Company has a structured risk management policy. The Risk management process is designed to safeguard the organization from various risks through adequate and timely actions. It is designed to anticipate, evaluate and mitigate risks in order to minimize its impact on the business. The potential risks are inventoried and integrated with the management process such that they receive the necessary consideration during decision making.	<a href="http://www.frontlinecorporation.org">www.frontlinecorporation.org</a>
Related Party Transaction Policy	The Board of the Company has adopted the Policy and procedure with regard to Related Party Transactions. The policy envisages the procedure governing the materiality of Related Party Transactions and dealing with Related Party transactions required to be followed by Company to ensure compliance with the Law and Regulation.	<a href="http://www.frontlinecorporation.org">www.frontlinecorporation.org</a>
Whistle Blower Policy	The Company has adopted the Vigil Mechanism for directors and employees to report concerns about unethical behavior, actual or suspected fraud, or violation of the Companies code of conduct and ethics.	<a href="http://www.frontlinecorporation.org">www.frontlinecorporation.org</a>

**C.E.O. CERTIFICATION**

To  
The Board of Directors,  
**Frontline Corporation Limited.**

I, Pawankumar Agarwal, Managing Director of Frontline Corporation Limited and Mr. Roshanlal Saklani, Chief Financial Officer of Frontline Corporation Limited, appointed in terms of Companies Act, 2013, hereby certify as follows:

I have reviewed Financial Statements and the Cash Flow Statement for the year ended on 31<sup>st</sup> March, 2016 and that to the best of my knowledge and belief, I State that;

- A.** (i) These Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- (ii) These Statements together present a true and fair view of the 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 the Company's Code of Conduct.
- C.** I accept responsibility for establishing and maintaining internal controls for financial reporting and that have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps have been taken or proposed to be taken to rectify these deficiencies.
- D.** I have indicated to the Auditors and the Audit committee,
- (i) Significant changes in internal control over financial reporting during the year; Significant changes, if any, in accounting policies during the year and the same have been disclosed in the notes to the Financial Statement; and
- (ii) Instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having significant role in the company's internal control system over financial reporting.

**By Order of the Board of Directors**

**Sd/-**  
**Roshanlal Saklani**  
**Chief Financial Officer**  
**PAN : AFHPS9049H**

**Sd/-**  
**Pawankumar Agarwal**  
**Managing Director**  
**DIN : 00060418**

Date: 19/08/2016  
Place: Ahmedabad

13. **CODE OF CONDUCT:**

The Board of Directors has laid down the Code of Conduct for all the Board Members and members of the senior Management. The code is a comprehensive code applicable to all Directors, Executive as well as Non – executive and members of the Senior Management. The Code has been circulated to all the members of the Board and Senior Management Personnel and compliance of the same has been affirmed by them. The Code is also displayed on the website of the Company. Further the Directors and the Senior Management of the Company has submitted disclosure to the Board that they do not have any material financial and commercial transactions that may have a potential conflict with the interest of the Company at large. A declaration given by the Managing Director is given below:

**DECLARATION BY THE MANAGING DIRECTOR PURSUANT  
LISTING REGULATION**

To,  
The Member of Company  
Frontline Corporation Limited,

The Company has obtained from all the members of the Board and Senior Management Personnel of the Company, affirmation that they have complied with the Code of Ethics and Business Conduct framed for Directors and Senior Management Personnel in respect of the financial year 2015 – 2016.”

For and on behalf of Board

Place : Ahmedabad  
Date : 19/ 08/2016

Sd/-  
**PAWANKUMAR AGARWAL**  
MANAGING DIRECTOR  
DIN : 00060418

**AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE**

To,  
The Member of  
FRONTLINE CORPORATION LIMITED

We have examined the compliance of the conditions of corporate governance by FRONTLINE CORPORATION LIMITED ('the Company') for the year ended 31st March, 2016, as stipulated in clause 49 of the Listing Agreement ('Listing Agreement') of the Company with stock exchanges for the period 1<sup>st</sup> April 2015 to 30<sup>th</sup> November 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15(2) of the Listing Regulations for the period 1<sup>st</sup> December 2015 to 31<sup>st</sup> March 2016.

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.

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 Agreement / Listing Regulations, as applicable.

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.

**Place: Ahmedabad**  
**Date: 19.08.2016**

**For, Paresh Thothawala & Co**  
**Chartered Accountants**  
**Firm Registration No: 114777W**  
Sd/-  
**Paresh Thothawala**  
**Partner**  
**Membership No. 048435**

## INDEPENDENT AUDITOR'S REPORT

To,  
The Members of  
Frontline Corporation Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of FRONTLINE CORPORATION LIMITED ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss for the year then ended, the cash flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the preparation of the financial statements in terms of the requirements of the Companies Act, 2013 ('the Act') 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 Companies Act, 2013 (hereinafter referred to as 'the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014. The Board of Directors of the Company is responsible for 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; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the financial statements by the Directors of the Company, as aforesaid.

### Auditors' 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 and other applicable authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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 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 in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of 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.

Basis for Qualified Opinion

- ◆ **Note No. 10.3 and 14 regarding physical possession and selling of Land & Building taken by Punjab and Sind Bank.**
- ◆ **Note No. 10.2 and 31.1 for Demand Notice issued by UCO Bank and J&K bank by virtue of which some fixed assets details of which are given in detailed note of fixed assets have been symbolically possessed by the bank.**
- ◆ **Reference is invited Note No. 31.2 to the financial statements regarding corporate guarantee given by the company for credit facilities to Fairdeal Supplies Limited, a group company, and non-compliance of Section 295 of the companies Act, 1956.**
- ◆ **Reference is invited Note No. 16.3 to the financial statements regarding trade receivable amounting to Rs. 70,49,370.37 and Note No. 13.1 & 18.1 of loans regarding loans & advances amounting to Rs. 37,39,000/- which are outstanding for long time. As explained therein, the recoveries from these trade receivables and advances have been negligible. There have been defaults on the payment obligations by the debtors on the due dates. As informed by the management no balance confirmations are received. In view of the above we are unable to comment on the realization of the debts and any provision to be made for non realization in the carrying amounts of these balances and the consequential impact, on the financial statements.**
- ◆ **Reference is invited Note No. 13.2 to the financial statements, according to which an amount of Rs. Rs.6,50,56,579/- (Previous year Rs. 6,86,54,579/-) is outstanding which has been given to M/s. Gateway Commodities (P) Ltd. as loans & advances. The management has explained that such advances have been given in the normal course of business. As per information made available to us and explanation given Rs. 35,98,000 (previous year Rs. 33,34,980) have been recovered / adjusted during the current financial year. The management, based on internal assessments and evaluations, have represented that the balance outstanding advances are still recoverable/ adjustable and that no accrual for diminution of advances is necessary as at balance sheet date. The management has further represented that as significant amounts have been recovered/adjusted during the previous and current financial year and since constructive and sincere efforts are being put in for recovery of the said advances, they are confident of appropriately adjusting / recovering significant portions of the remaining outstanding balance of such amounts in the foreseeable future. However, we are unable to ascertain whether all the remaining outstanding advances, as above, are fully recoverable / adjustable since the outstanding balances as at balance sheet date are outstanding for a long period of time, and further that, neither the amount recovered nor interest provided on such long outstanding amounts in the current year, consequently, we are unable to ascertain whether all of the remaining balances as at balance sheet date are fully recoverable. Accordingly, we are unable to ascertain the impact, if any, that may arise in case any of these remaining advances are subsequently determined to be doubtful of recovery.**

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us except for the effects of the matter described in the basis for qualified opinion paragraph, and based on the consideration of the reports of branch auditors, on the financial statements noted below, the aforesaid 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 Balance Sheet, of the state of affairs of the company as at 31st March, 2016;
- (b) In the case of Statement of Profit & Loss, of the Loss for the year ended on that date;
- (c) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

### **Emphasis of Matter**

We draw attention to the following matters in the Notes of the accompanying financial statement:

1. Non availability of balance confirmation from major suppliers and Customers.
2. Note No. 8 regarding receipt of advance payment from overseas buyer against export order. The company has neither completed shipment nor entered into forward contract for outstanding liability.
3. Note No. 10.1 regarding expenditure for site development shown as capital work in progress of amount of Rs. 19,92,421/-.
4. Note No. 13.1 regarding non availability of agreement for purchase of Land against which payment of Rs. 24,70,000/- has been made in advance.
5. Note No. 6.3 regarding short provision of interest on Export Packing Credit loan in consistence with reserve bank of India guidelines.
6. Note no. 15 regarding non verification of inventory at reasonable intervals by management.

Our report is not modified in respect of above matters.

### **Other Matter**

We did not audit the financial statements of Kolkata Division, whose financial statements reflect total assets of Rs. 38,01,04,337 as at March 31, 2016 and total revenues of Rs. 71,27,405 for the year ended on that date. These financial statements have been audited by Branch auditors whose reports have been furnished to us by the management and our opinion on the financial statements, in so far as it relates to amount and disclosures included in respect of that division is based solely on the reports of the Branch auditors. Our opinion is not modified in respect of this matter.

### **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, of the state of affairs of the Company as at March 31, 2016, and its loss for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

As required by 'the Companies (Auditor's Report) Order, 2016', issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act (hereinafter referred to as the "Order"), and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the "Annexure – I" a statement on the matters specified in paragraphs 3 and 4 of the Order.

#### **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 be best of our knowledge and belief were necessary for the purpose of our Audit;
- b) In our opinion, proper books of account as required by law have been kept by the company so far as it appears from our examination of those books.
- c) The Balance Sheet and The Statement of Profit and Loss dealt with this Report are in agreement with the books of Accounts.
- d) 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.
- e) In our opinion there are no observations or comments on the financial transactions, which

may have an adverse effect on the functioning of the company except as stated above.

- f) On the basis of the written representations received from the directors as on 31-03-2016 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March 2016 from being appointed as a Director in terms of section 164(2) of the Act.
- g) Report on the Internal Financial Controls under clause (1) of sub-section 3 of section 143 of the Companies Act, 2013 ("The Act"), is enclosed in Annexure-II to this report.
- h) With respect to the 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 has not any pending litigations on its financial position in its financial statements.
  - b. The company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, and as required on long term contracts including derivative contracts. However the company has not entered into a forward contract for outstanding liability of US\$ 441088.89 as on 31<sup>st</sup> March, 2016.
  - c. There has been no delay in transferring amounts, required to be transferred, to the Investors Education and Protection Fund.

For, Paresh Thothawala & Co.  
Chartered Accountants  
Firm Reg. No. 114777W

Date: 31<sup>st</sup> May, 2016

Place: Ahmedabad

**CA Paresh K Thothawala**  
**Partner**

Membership No.048435



## Annexure - I to the Independent Auditors' Report

Refer to in our report of even date

**i) Fixed Assets:**

- (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification. However UCO bank has taken symbolic possession of some of the fixed assets specified in the note of Fixed Assets which are provided as collateral security against credit facility enjoyed by Fairdeal Supplies Limited and Punjab & Sind Bank has taken physical possession of the fixed assets specified in the note of fixed assets. 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 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 the company.

**ii) Inventories:**

- (a) ***As explained to us the company has conducted physical verification at reasonable intervals in respect of inventory. However we have not received any documentary evidence to verify the same.***
- (b) **In the absence of documentary evidence we are unable to ascertain whether the procedures of physical verification of stock followed by the Management are reasonable and adequate or in relation to the size of the company and the nature of its business.**
- (c) **In our Opinion the company is not maintaining proper records of inventory. In the absence of records we are unable to ascertain whether discrepancies if any were noticed on physical verification of stocks.**

iii) The Company has not granted any loans, secured or unsecured to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act and hence provisions of Clause 3(iii) of the aforesaid Order are not applicable to the Company.

iv) According to information and explanation given to us, the Company had given corporate guarantee of Rs. 318.00 Crore for credit facilities availed by its group company namely Fairdeal Supplies Limited from bank.

v) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of section 73 to 76 of the act and Rules framed there under to the extend notified.

vi) To the best of our knowledge and based on the information and explanation given to us, the provision of maintenance of cost records under sub-section (1) of section 148(1) of the Act is not applicable to the company.

vii) (a) In our opinion and according to information and explanation given to us and according to records of the company, the company is generally regular in depositing undisputed statutory dues including Provident fund, Employee's state insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Duty of customs, Duty of Excise, Value added tax, cess and other material statutory dues with the appropriate authorities. There is no arrears of statutory dues as at 31<sup>st</sup> March 2016 except Sales Tax Payable of Rs. 38772/- which are outstanding for a period

of more than 6 Months from the date they becomes payable.

- (b) According to the information and explanation given to us, the following dues of Income Tax and VAT have not been deposited by the company on account of dispute and the forum where is the dispute is pending are as under:

<b>Name of the Statute</b>	<b>Nature of Dues</b>	<b>Amount (Rs.)</b>	<b>Period to which Amount relates</b>	<b>Forum Where dispute is pending</b>
Income Tax Act, 1961	Income Tax	5,03,879	AY 2008-09	ITAT
Income Tax Act, 1961	Income Tax	10,05,988 (Section 156 – Demand)	AY 2010-11	CIT A Order Dated 27-01-2015 ITAT
Income Tax Act, 1961	Income Tax	10,15,102 (Section 143(3))	AY 2011-12	CIT Appeal
Income Tax Act, 1961	Income Tax	43,08,870 (Section 143(3))	AY 2013-14	CIT Appeal
Gujarat Value Added 2003	VAT/CST	1,12,186	FY 2009-10	Commissioner of Tax,

- (c) In our opinion and according to information and explanation given to us the Company has defaulted in repayment of due to Bank/Financial Institution and Banks. Details are given below :

<b>Name of lending Financial Institute and Nature of Account</b>	<b>Amount of Default in repayment</b>	<b>Period of Default</b>	<b>Remarks</b>
Punjab & Sind Bank – Packing Credit	Rs. 20,00,00,000	01-04-2012 to 31-03-2016	Exclusive of interest up to 31.03.2016. Loan recalled on 31.03.2012
Punjab & Sind bank – CCPH 000315	Rs. 15,15,28,044	01-04-2012 to 31-03-2016	Exclusive of interest up to 31.03.2016. Loan recalled on 31.03.2012
Shri Ram Transport & Finance Ltd – Commercial Vehicle Loan	Rs. 33,33,524	01-08-2012 to 31-03-2016	Exclusive of interest up to 31.03.2016.

- ix) In our opinion and according to information and explanation given to us, the term loans have been applied by the company during the year for the purposes for which they have obtained.
- x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.
- xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not paid / provided for managerial remuneration during the financial year. Accordingly, Clause 3(xi) of the order is not applicable.
- xii) In Our opinion and according to information and explanations provided to us, the Company is not a nidhi Company. Accordingly Clause 3(xii) of the aforesaid Order is not applicable.

- xiii) The Company has entered into the transaction with the related parties in compliance with the provisions of the Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the financial statements as required under Accounting Standard (AS)18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence provisions of Clause 3(xiv) of the aforesaid Order are not applicable to the Company.
- xv) The Company has not entered into any non-cash transactions with its directors or the persons connected with him and hence provisions of Clause 3(xv) of the aforesaid Order are not applicable to the Company.
- xvi) The Company is not required to be registered Section 45-IA of the Reserve Bank of India Act, 1934 and hence provisions of Clause 3(xvi) of the aforesaid Order are not applicable to the Company.

**For, Paresh Thothawala & Co.**  
**Chartered Accountants**  
**Firm Reg. No. 114777W**  
**CA Paresh K Thothawala**

**Date: 31st May, 2016**  
**Place: Ahmedabad**

**Partner**  
**Membership No.048435**

**ANNEXURE - II to the Independent Auditor's Report of even date on the  
Standalone Financial Statement of M/s FRONTLINE CORPORATION LIMITED.**

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

We have audited the internal financial controls over financial reporting of ('the Company') as of 31<sup>st</sup> March 2016 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. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 unauthorized 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**

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at 31<sup>st</sup> March, 2016:

**Qualified Opinion**

- a) **The company did not have internal control system for loan & advances and Guarantee with regard to identification and assessment of credit worthiness. Further the internal control system regarding measures adopted for recovery is not adequate. These could potentially result in material misstatements in company's net worth and loans & advance balances.**
- b) **The company did not have appropriate internal controls for reconciliation of physically inventory with the inventory records, which may have resulted in misstatement of inventory values in the books of account.**

In our opinion, because of the effect of the material weaknesses described above on the achievement of the objectives of the control criteria, the company has not maintained adequate and effective internal financial control over financial reporting as of March 31, 2016.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2016 financial statement of the company, and these material weaknesses have affected our opinion on the financial statement of the company and we have issued qualified opinion on the financial statements.

**For, Paresh Thothawala & Co.**  
**Chartered Accountants**  
**Firm Reg. No. 114777W**  
**CA Paresh K Thothawala**

**Date: 31st May, 2016**  
**Place: Ahmedabad**

**Partner**  
**Membership No.048435**

**BALANCE SHEET AS AT 31ST MARCH, 2016**

PARTICULARS	NOTES	AS AT 31/03/2016 Amount in Rs.	AS AT 31/03/2015 Amount in Rs.
<b><u>EQUITY AND LIABILITIES</u></b>			
<b><u>SHAREHOLDER'S FUNDS</u></b>			
Share Capital	"2"	49,774,500	49,774,500
Reserves And Surplus	"3"	5,416,428	47,896,114
<b><u>NON CURRENT LIABILITIES</u></b>			
Long Term Borrowings	"4"	29,983,212	8,994,272
Other Long Term Liabilities	"5"	376,000	7,377,500
<b><u>CURRENT LIABILITIES</u></b>			
Short Term Borrowings	"6"	354,155,740	437,010,777
Trade Payables	"7"	108,571,264	106,247,676
Other Current Liabilities	"8"	214,278,476	72,960,775
Short Term Provisions	"9"	2,574,967	2,363,498
<b>TOTAL :</b>		<b>765,130,587</b>	<b>732,625,112</b>
<b><u>ASSETS</u></b>			
<b><u>NON CURRENT ASSETS</u></b>			
Fixed Assets			
Tangible Assets	"10"	275,180,613	256,574,186
Intangible Assets	"10"	34,403	35,179
Capital Work In Progress	"10"	1,992,421	1,992,421
Non Current Investments	"11"	100,000	100,000
Deferred Tax Assets (Net)	"12"	27,279,658	14,486,496
Long Term Loans & Advances	"13"	138,810,008	139,688,316
<b><u>CURRENT ASSETS</u></b>			
Trade Investments	"14"	69,461,889	69,461,889
Inventories	"15"	125,698,590	112,912,555
Trade Receivable	"16"	68,874,002	75,789,390
Cash & Cash Equivalent	"17"	6,751,082	7,269,740
Short Term Loans and Advances	"18"	25,919,688	36,873,641
Other Current Assets	"19"	25,028,233	17,441,298
<b>TOTAL :</b>		<b>765,130,587</b>	<b>732,625,112</b>

**Significant Accounting Policies**

"1 to 36"

**Notes on Financial Statements**

As Per our Report of Even Date  
For Paresh Thothawala & Co.  
Chartered Accountants  
FRN: 114777W

Sd/-  
Paresh K. Thothawala  
Partner  
M.No. 48435

Sd/-  
S. K. Verma  
Company Secretary  
Sd/-  
Roshanlal Saklani  
CFO

On Behalf of Board  
Sd/-  
Narayanprasad Agarwal  
Director

Sd/-  
Pawankumar Agarwal  
Managing Director

Date : 31/05/2016  
Place : Ahmedabad

Date : 31/05/2016  
Place : Ahmedabad

**PROFIT & LOSS ACCOUNT FOR THE PERIOD ENDED 31 ST MARCH, 2016**

PARTICULARS	NOTES	Year Ended 31/03/2016 Amount in Rs.	Year Ended 31/03/2015 Amount in Rs.
<b><u>INCOME</u></b>			
Revenue from Operations	"20"	383,723,485	375,228,123
Other Income	"21"	10,067,519	19,281,073
		<b>393,791,003</b>	<b>394,509,196</b>
<b><u>EXPENDITURE</u></b>			
Cost of Material Consumed	"22"	-	-
Purchase of Stock in Trade	"23"	233,527,654	193,545,023
Change in Inventories of Finished Goods & Stock in Trade	"24"	(12,789,156)	311,436
Employee Benefits Expenses	"25"	25,737,396	24,197,955
Financial Costs	"26"	53,875,636	51,315,875
Depreciation	"10"	11,061,120	10,406,699
Other Expenses	"27"	134,744,477	140,113,613
		<b>446,157,128</b>	<b>419,890,601</b>
<b>PROFIT/(LOSS) BEFORE TAX &amp; EXCEPTIONAL AND EXTRA ORDINARY ITEMS</b>		<b>(52,366,124)</b>	<b>(25,381,405)</b>
Provision for Current Taxes	"28"	-	850,000
Provision for Deferred Taxes	"29"	(12,793,162)	(3,142,676)
<b>Earlier Periods</b>			
Income Tax		3,229,409	-
<b>PROFIT/(LOSS) AFTER TAX BUT BEFORE EXCEPTIONAL AND EXTRA ORDINARY ITEMS</b>		<b>(42,802,371)</b>	<b>(23,088,729)</b>
Exceptional & Extra Ordinary Items	"30"	(322,685)	(4,773,101)
<b>PROFIT/(LOSS) FOR THE YEAR</b>		<b>(42,479,687)</b>	<b>(18,315,629)</b>
<b>Basic/Diluted Earnings/(Loss) Per Share(Rs.)</b>		<b>(8.53)</b>	<b>(3.68)</b>

Significant Accounting Policies

"1 to 36"

Notes on Financial Statements

As Per our Report of Even Date  
For Paresh Thothawala & Co.  
Chartered Accountants  
FRN: 114777W

Sd/-  
Paresh K. Thothawala  
Partner  
M.No. 48435

Sd/-  
S. K. Verma  
Company Secretary  
Sd/-  
Roshanlal Saklani  
CFO

On Behalf of Board  
Sd/-  
Narayanprasad Agarwal  
Director

Sd/-  
Pawankumar Agarwal  
Managing Director

Date : 31/05/2016  
Place : Ahmedabad

Date : 31/05/2016  
Place : Ahmedabad

**CASH FLOW STATEMENT FOR THE PERIOD APRIL 2015 TO MARCH 2016**

Particulars	For the year ended	
	31st March, 2016	31st March, 2015
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax and extraordinary items	(52,366,124)	(25,381,405)
<b>Adjusted for</b>		
Depreciation	11,061,120	10,406,699
Interest Income	(9,596,916)	(17,880,906)
Interest Expenses	53,875,636	51,315,875
Provisions	7,344,168	130,634
	<b>62,684,008</b>	<b>43,972,303</b>
<b>Operating Profit Before Working Capital Changes</b>	<b>10,317,884</b>	<b>18,590,897</b>
<b>Adjusted for</b>		
Trade & Other Receivables	3,018,531	19,097,389
Stock in Hand	(12,786,035)	316,384
Trade Payable, Other Current Liab. & Provision	137,362,220	(55,742,373)
	<b>127,594,716</b>	<b>(36,328,600)</b>
<b>Cash Generated from Operations</b>	<b>137,912,600</b>	<b>(17,737,703)</b>
Direct Taxes Paid	3,309,700	3,142,410
<b>Cash Flow Before Extra-ordinary Items</b>	<b>134,602,900</b>	<b>(20,880,113)</b>
Extra-ordinary Items:		
Compensation		
Prior period adjustments	222,428	24,017
<b>Cash Flow from Operating Activities</b>	<b>134,380,472</b>	<b>(20,904,130)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(32,699,158)	(2,546,079)
Disposal of Fixed Assets	3,577,500	6,265,209
Increase in Capital Work in Progress	-	-
Movement in Loans & Advances	878,308	(26,935,825)
Interest Received	9,596,916	17,880,906
Investment in Fixed Deposits	1,111,802	1,192,516
Investment during the year	-	-
<b>Net Cash from Investing Activities</b>	<b>(17,534,633)</b>	<b>(4,143,273)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Share Capital	-	-
Proceeds from Long Term Borrowing	25,836,000	-
Proceeds from Working Capital Limit	(74,157,022)	81,965,964
Repayment of Long Term Borrowing	(8,901,074)	(4,428,680)
Movement in Unsecured Loans	(5,154,963)	(5,708,266)
Interest Paid	(53,875,636)	(51,315,875)
Dividend & Corporate Dividend Tax Paid	-	-
<b>Net Cash from Financing Activities</b>	<b>(116,252,695)</b>	<b>20,513,143</b>
<b>Net Cash Flows During the Year (A+B+C)</b>	<b>593,144</b>	<b>(4,534,260)</b>
<b>Opening Balance of Cash and Cash Equivalents</b>	<b>6,097,938</b>	<b>10,632,198</b>
<b>Closing Balance of Cash and Cash Equivalents</b>	<b>6,691,082</b>	<b>6,097,938</b>



**Notes:**

1. The above Cash Flow statement has been prepared under the "Indirect Method" as set out in the Accounting Standard - 3 on Cash Flow Statements issued by the Institute of Chartered Accountants of India.
2. Cash and Cash Equivalents at the end of the year consist of Cash, Cheques in hand and balance with banks.

	<b>As at 31.03.2016</b>	<b>As at 31.03.2015</b>
Cash in hand	1,061,423	1,478,085
Balances with banks:-		
- In Current Accounts	3,557,857	504,817
- In Fixed Deposits	2,071,802	4,115,036
	<u><u>6,691,082</u></u>	<u><u>6,097,938</u></u>

As Per our Report of Even Date  
**For Paresh Thothawala & Co.**  
**Chartered Accountants**  
**FRN: 114777W**

**Sd/-**  
**Paresh K. Thothawala**  
**Partner**  
**M.No. 48435**

**Date : 31/05/2016**  
**Place : Ahmedabad**

**Sd/-**  
**S. K. Verma**  
**Company Secretary**  
**Sd/-**  
**Roshanlal Saklani**  
**CFO**

On Behalf of Board  
**Sd/-**  
**Narayanprasad Agarwal**  
**Director**

**Sd/-**  
**Pawankumar Agarwal**  
**Managing Director**

**Date : 31/05/2016**  
**Place : Ahmedabad**

**NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2016**

**General Information**

Frontline Corporation Ltd. ("the Company") is engaged in the services of Transportation and Automobile parts & Lubricants, Renting of Property and production of wind energy. The company has its operations mainly in India.

**NOTE 1: SIGNIFICANT ACCOUNTING POLICIES**

**1.1 Basis of Preparation of Financial Statements**

The company follows accrual method of accounting and the Financial Statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the Relevant Provisions of The Companies Act, 2013.

The Financial statements are presented in Indian Rupees rounded off to the nearest rupee. Previous year figures are regrouped and rearrange wherever necessary to conform to the current year presentation.

**1.2 Use of Estimate:**

The preparation of Financial Statements requires management to make assumptions that may affect reported amounts of assets and liabilities, the disclosure of contingent liabilities on the date of financial and the reported amounts of revenues and expense. Actual results could differ from those estimates. Any revisions to accounting estimates are recognized prospectively in current and future projects.

**1.3 Inventory Valuation:**

(a) Trading Activities:

Inventories are valued at cost or net realizable value whichever is lower. Cost of materials is ascertained on FIFO method.

(b) Provision is made for obsolete, slow-moving and defective stocks, where necessary.

**1.4 Fixed Assets and Depreciation:**

**Tangible Fixed Assets:**

(a) Fixed asset are stated at cost of acquisition or construction less accumulated depreciation and impairment losses, if any. The cost of an item of tangible fixed assets comprises its purchase price, including import duties and other non-refundable taxes or levies and any attributable costs of bringing the asset to its working condition for intended use. Any trade discount and rebates are deducted in arriving at the purchase price.

(b) Advance paid towards acquisition of tangible fixed assets outstanding at each Balance Sheet date, are shown under long-term loans and advances and cost of assets not ready for intended use before the year end, are shown as capital work-in-progress. All costs relating to the acquisition and installation of fixed assets are capitalised until the asset is ready for use.

**Depreciation on Tangible:**

Depreciation on Fixed Assets is provided on Straight Line Method (SLM) and is systematically allocated over the useful life of an asset as specified in part C of Schedule II of The Companies Act, 2013. In respect of Assets costing less than Rs. 5,000/- the rate of depreciation is taken as 100%. Depreciation is computed pro-rata with reference to the number of months of use during the year.

**Intangible Assets and Amortisation:**

Intangible assets including Export benefits under duty exemption passbook are recognised only if it is probable that the future economic benefits that are attributable to the asset will flow to the enterprise and the cost of the asset can be measured reliably.

The intangible assets are recorded at cost and amortized on straight line basis over the estimated useful lives as follows:

<b>Intangible Asset</b>	<b>Estimated Useful Life (Years)</b>
Software	3 years

**Loose Tools:**

Loose Tools are being written off over a period of 5 years in equal Amounts. Damaged or unserviceable tools are charged to revenue in the same year.

**1.5 Impairment of Assets:**

An Asset is treated as impaired when carrying cost of assets exceeds its recoverable value. An impairment loss is charged for when the asset is identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount. Reversal of impairment loss is recognised as income in the statement of profit & loss.

**1.6 Borrowing Cost:**

Borrowing costs are interest and other costs (including exchange differences arising from foreign currency borrowings to the extent that they are regarded as adjustment to interest cost) incurred by the company in connection with the borrowing of fund. Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as a part of the cost of such asset. A qualifying asset is one that necessarily takes a substantial period of time to get ready for its intended use. All others borrowing cost are charged to the statement of profit and loss.

**1.7 Leases:**

Asset taken on lease by the Company in its capacity as lessee, where the Company has substantially assumed all risks and rewards of ownership are classified as finance lease. Such a lease is capitalised at the inception of the lease period at lower of fair value or 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 leases. Lease rentals under operating leases are recognised in the statement of profit and loss on a straight line basis.

**1.8 Revenue Recognition:**

Revenue is recognized on accrual basis if there is reasonable certainty of its ultimate realization/ collection.

- (a) In respect of Transportation operations, revenue is recognised when the related service performed. Revenue in respect of contractual transport business is recognised in proportion to the value of work completed.
- (b) In respect of Wind Energy Generation, revenue is recognised on the basis of units generated and billed. Unbilled units are allocated on pro-rata basis based on Billing Cycle.
- (c) In respect of Trading Activities, Sales is recognised at the time of dispatch of Goods to customers. The company collects value added taxes (VAT) on behalf of the government and,

therefore, these are not economic benefits flowing to the company. Hence, they are excluded from revenue. Sales stated net of return and trade discount.

- (d) In respect of rent Income, revenue is recognised on accrual basis except in case where ultimate collection is considered doubtful.

**Other Income**

- (a) In respect of Interest Income, revenue is recognised on a time proportion basis taking into account the amount outstanding and the rate applicable.
- (b) In respect of Dividend Income, revenue is recognised when the right to receive payments is established.

**1.9 Investments:**

Current Investments are carried at lower of cost and quoted / fair value, computed category wise. Long Term Investments are stated at cost. Provision for diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

**1.10 Foreign Currency Transactions:**

Transactions in foreign currency are recorded at the exchange rates prevailing on the date of transaction. Foreign Currency Assets and Liabilities are stated at the exchange rates prevailing at the date of balance sheet. Realised gains or losses on foreign exchange transaction are recognised in the statement of profit and loss account.

Premium or discount on forward contracts where there are underlying assets/liabilities are amortised over the life of the contract. Such foreign exchange contracts are revalued at the balance sheet date and the exchange difference between the spot rate at the date of the contract and spot rate on the balance sheet date is recognised as gain/loss in the statement of profit and loss.

**1.11 Accounting for employee benefits:**

**A. Post Retirement Benefits:**

**(a) Defined Contribution Plan**

As per applicable laws the eligible employees of the company are entitled to receive benefits under the provident fund, a defined contribution plan, in which both employees and company make monthly contribution at specified percentage of the covered employee salary. The contributions as specified under the law are paid to the respective provident fund authorities as specified by law as per the scheme framed under the governing laws.

**(b) Defined Benefit Plan**

The company has not formulated any specific terms of employment providing for specific requirement benefits. However as per applicable laws, the company has an obligation towards gratuity, a defined benefit retirement plan covering eligible employees at retirement, death/disablement while in employment or termination of employment, of an amount equivalent to 15 days salary with reference to the number of completed year of service and last drawn salary. The Company has taken a Group Gratuity Scheme with Life Insurance Corporation of India covering all eligible employees. The liability in respect of Gratuity is recognised in accordance with Project Unit Credit Method.

**B. Other Employee Benefits:**

**Short Term Benefits**

Short term employee benefits are recognized as an expense at the undiscounted amount in profit & Loss Account of the year in which related service is rendered.

**1.12 Taxes on Income:**

- (a) Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the income tax act, 1961.

Deferred tax is recognized, subject to consideration of prudence, on timing differences, being the difference between taxable incomes and accounting incomes that originate in one period and is capable of reversal in one or more subsequent periods.

- (b) Deferred tax is measured based on the tax rate and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognized only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against such deferred tax assets can be realised.

**1.13 Cash & Cash Equivalents:**

Cash and cash equivalents for the purpose of cash flow statement comprise of cash at bank and in hand and short term investments/bank deposits with an original maturity of three months or less.

**1.14 Provision:**

A provision is recognised when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimates required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

**1.15 Contingent Liabilities:**

Contingent liabilities exist and are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non occurrence of one or more uncertain future events not wholly within the control of company, unless the possibility of an outflow is remote. A present obligation that arises from past events where it is either not probable that an outflow of resources will be required or a reliable estimate of the amount cannot be made is termed as contingent liability.

**1.16 Inter-divisional Transfers:**

Inter-divisional transfers of goods for internal use as captive consumption are shown as contra items in the Profit & Loss Account to reflect the true economic value of the production inter-se the divisions. This accounting treatment has no impact on the profit of the Company.

**NOTES FORMING PART OF THE BALANCE SHEET**

**Note 2: Share Capital**

Particulars	31/03/2016	31/03/2015
<b>Authorised Capital</b>		
60,00,000 Equity Shares (P.Y. 60,00,000 Equity Shares) OF RS.10/- each	60,000,000	60,000,000
<b>Issued &amp; Subscribed and Paid up</b>		
50,00,000 Equity Shares (P.Y. 50,00,000 Equity Shares) of RS.10/-each	50,000,000	50,000,000
Less : Calls In Arrear	225,500	225,500
	<b>49,774,500</b>	<b>49,774,500</b>

**2.1 The details of Shareholders holding more than 5% Shares**

Name of the Share Holder	As at 31st March 2016		As at 31st March 2015	
	No of Shares	% held	No of Shares	% held
Ram Prasad Agarwal	623622	12.47	623622	12.47
Pawan Kumar Agarwal	250266	5.01	250266	5.01
Rewa Devi Agarwal	251400	5.03	251400	5.03
Chinniyam C	380000	7.60	380000	7.60
Ramalakshmi Rotar Spinning and Exporting Company Pvt Ltd	280000	5.60	280000	5.60
S Balaji	280000	5.60	280000	5.60
R Thangavelu	279000	5.58	279000	5.58

**2.2 The reconciliation of the number of shares outstanding is set out below :**

Particulars	As at 31st March 2016 No. of Shares	As at 31st March 2015 No. of Shares
Equity Shares at the beginning of the year	5,000,000	5,000,000
Add : Shares issued	-	-
Equity Shares at the end of the year	5,000,000	5,000,000

**2.3 Terms/Rights attached to Equity Shares**

The Company has only one class of Equity Shares having Par Value of Rs 10/- per Share. Each holder of Equity.

**Share is entitled to one vote per share.**

2.4 Calls in Arrear are pending for Rs 5/- per share on 45,100 Equity Shares.

2.5 In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders. The holders of Partly Paid Equity Shares will have to contribute unpaid amount on the the Equity Shares held by them.

**Note 3 : Reserves & Surplus**

Particulars	31/03/2016	31/03/2015
<b>Surplus</b> : Opening Balance	49,377,492	67,693,119
Add: Profit/(Loss) transferred from Profit & Loss for the year	(42,479,687)	(18,315,629)
Less : Retain Earning	1,481,377	1,481,377
Less: Transferred to Reserves	-	-
	<u>5,416,428</u>	<u>47,896,114</u>

**Note 4 : Long Term Borrowing**

Particulars	31/03/2016	31/03/2015
<b>Secured</b>		
Term Loans from Banks	849,000	4,929,000
Term Loans –Others	<u>21,014,926</u>	-
	<u>21,863,926</u>	<u>4,929,000</u>
<b>Unsecured</b>		
From Body Corporate		
- Related Parties	4,000,020	1,814,606
- Others	-	2,250,666
From Directors	<u>4,119,266</u>	-
	<u>8,119,286</u>	<u>4,065,272</u>
<b>TOTAL LONG TERM BORROWING</b>	<u>29,983,212</u>	<u>8,994,272</u>

Term Loan (Secured) from HDFC Bank Ltd in form of Working Capital Demand Loan facility secured against Hypothecation of inventories, book debts and commercial vehicles of the Company as well as by way of mortgage of some of the property of the company. The bank is also holding personal guarantee of some of the Directors of the company. The said loan carries interest rate @ 14.75% p.a. and The Loan is repayable in Monthly Installment of Rs. 3,40,000/- each along with interest. (Current Year - Balance Outstanding – 4929000/- P. Y. Balance Outstanding Rs. 9009000/-)

The terms of repayment not yet finalized for Unsecured Loan from Body Corporate, Related Parties and Others. Rate of Interest is charged @ 14.5% per annum.

Term loan (secured) from India Infoline Finance Ltd. In form of commercial vehicle finance facility secured against hypothecation of commercial vehicle of the company as well as by way of hypothecation of some of the commercial vehicle of the company. The financier is also holding personal guarantee of managing director of the company, The Said loan carries interest rate @ 13.50% p.a and The loan is repayable in monthly equated installment of Rs. 172487/- and 197128/- each inclusive of interest. (Current year – Balance Outstanding Rs. 12275277/-)

Term loan (secured) from Tata Motors Finance Ltd. In form of commercial vehicle finance facility secured against hypothecation of commercial vehicle of the company as well as by way of hypothecation of some of the commercial vehicle of the company. The financier is also holding personal guarantee of managing director of the company, The Said loan carries interest rate @ 14% p.a and the loan is repayable in monthly equated installment of Rs. 342468/- each inclusive of interest. (Current year- Balance Outstanding Rs. 11066887/-)

**Note 5: Other Long Term Liability**

Particulars	31/03/2016	31/03/2015
Security Deposit and Trade advances	376,000	7,377,500
	<u>376,000</u>	<u>7,377,500</u>

Company has not received the required information from suppliers regarding their status under the Micro, Small and Medium Enterprise Development Act, 2006. Hence Disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/ payable as required under the said Act have not been made

**Note 6: Short Term Borrowings**

Particulars	31/03/2016	31/03/2015
<b>Secured</b>		
Working Capital Loans from Banks payable on demand	354,155,740	434,803,299
<b>Unsecured</b>		
Loans & Advances from Related Parties	-	2,207,478
	<u>354,155,740</u>	<u>437,010,777</u>

- 6.1 Working Capital Facilities are secured by hypothecation of inventories, Book Debts and commercial vehicles of the company as well as by way of mortgage of some of the property of the company. The Bank is also holding personal guarantee of some of the Directors of the company as well as Corporate Guarantee of other group Companies.
- 6.2 Unsecured Loan taken from Related Parties at the rate of Interest of 14.50% per annum.
- 6.3 Working Capital Loans from bank includes Rs 1515.28 Lac against Cash Credit Limit and Rs. 2000.00 Lac against Export Packing Credit Limit from Punjab and Sind Bank has been slipped to Non Performing Assets with effect from 31-03-2012. The company has also defaulted in interest payable on said loan amounting to Rs 1,87,12,287/- for the period from 01/04/2013 to 31/03/2014 and Rs. 4,69,38,398/- for the period from 01/04/2014 to 31/03/2015 and Rs. 48102318/- for the period from 01/04/2015 to 31/03/2016.

Name of Bank	Nature of Account	Period of Interest	Amount of Interest
Punjab & Sind Bank	Cash Credit Account	1/4/2013-31/03/2016	4,62,53,003
Punjab & Sind Bank*	Export Packing Credit Account	1/4/2013-31/03/2016	6,75,00,000
<b>Total</b>			<b>11,37,53,003</b>

\*As per guidelines issued by Reserve Bank of India Interest @ 18.5% per annum amounting to Rs 37,00,000/- should be provisioned on Export packing Credit loan, however the above amount is calculated @ 11.25% per annum amounting to Rs 22,500,000/-.

**Note 7: Trade Payables**

Particulars	31/03/2016	31/03/2015
Micro, Small & Medium Enterprises	-	-
Others	108,571,264	106,247,676
	<u>108,571,264</u>	<u>106,247,676</u>

Company has not received the required information from suppliers regarding their status under the Micro, Small and Medium Enterprise Development Act, 2006. Hence Disclosures, if any, relating to amounts unpaid as at the year end together with interest paid/ payable as required under the said Act have not been made.

**Note 8: Other Current Liabilities**

Particulars	31/03/2016	31/03/2015
Current Maturities of Long Term Debts (Refer Note No 4)	9,824,061	3,333,524
Other Payables*	204,454,415	69,627,251
	<u>214,278,476</u>	<u>72,960,775</u>

\*Other Payables includes Statutory Dues and advance from Customers.

The company had received advance payment from an overseas customer against export order however company has neither completed shipment nor entered into forward contract for outstanding liability.

**Particulars of Continuing Default**

Term Loan from Others

Period of Default (in Months)

72

60

Amount

7,728,201

6,528,132

Interest is provided on outstanding balance of commercial vehicle Term Loan @ 36% p.a. Principal Outstanding for the year end is Rs. 33,33,524/- and Interest Payable on it Rs 43,94,677/-

**Note 9: Short Term Provisions**

Particulars	31/03/2016	31/03/2015
Provision for Employee Benefits	2,574,967	2,363,498
	<u>2,574,967</u>	<u>2,363,498</u>



**NOTE- "10" FIXED ASSETS**

Sr No.	Particulars	GROSS BLOCK					Depreciation				NET BLOCK		
		As On 01/04/2015	Additions	Deletions/ Adjustments	As on 31/03/2016	As on 01/04/2015	For the Year	Deletions	As on 31/03/2016	As on 31/03/2016	As on 31/03/2015		
(A)	Intangible Asset												
	SOFTWARE	317,965	21,175,00	-	339,140	282,786	21,951	-	304,737			34,403	35,179
	<b>TOTAL (A)</b>	<b>317,965</b>	<b>21,175</b>	<b>-</b>	<b>339,140</b>	<b>282,786</b>	<b>21,951</b>	<b>-</b>	<b>304,737</b>			<b>34,403</b>	<b>35,179</b>
(B)	Tangible Asset												
I	LAND	102,255,893	317,688	2,936,000	99,637,581	-	-	-	-	-	-	99,637,581	102,255,893
II	BUILDING	146,407,888	-	-	146,407,888	23,290,127	3,332,702	-	26,622,829			119,785,059	123,117,761
III	PLANT & MACHINERY AND EQUIPMENTS	135,189,752	177,159	-	135,366,911	104,895,614	3,340,507	-	108,236,121			27,130,790	30,294,139
IV	FURNITURE & FIXTURES	5,581,324	58,010	-	5,639,334	4,877,054	180,937	-	5,057,991			581,343	704,270
V	VEHICLES	99,243,332	32,125,126	2,013,733	129,354,725	99,041,209	4,185,023	1,917,346	101,308,886			28,045,839	202,124
	<b>TOTAL (B)</b>	<b>488,678,189</b>	<b>32,677,983</b>	<b>4,949,733</b>	<b>516,406,439</b>	<b>232,104,003</b>	<b>11,039,170</b>	<b>1,917,346</b>	<b>241,225,827</b>			<b>275,180,612</b>	<b>256,574,182</b>
	<b>GRAND TOTAL</b>	<b>488,996,154</b>	<b>32,699,158</b>	<b>4,949,733</b>	<b>516,745,579</b>	<b>232,386,789</b>	<b>11,061,120</b>	<b>1,917,346</b>	<b>241,530,563</b>			<b>275,215,015</b>	<b>256,609,361</b>
	Previous Year	495,623,008	2,546,079	9,172,933	488,996,154	228,203,553	10,406,699	7,704,841	232,386,789			256,609,365	267,419,451
	Capital Work in Progress	1,992,421	-	-	1,992,421								

**Capital Work in Progress**

**10.1 Capital Work in Progress**

The company has incurred expenditure for site development in respect of various plots. Pending completion of work the amount is shown under Capital Work in Progress. Final allocation of the same to the respective plots will be done on completion of the work as tangible assets and amount Rs.19,92,421/- is still pending as WIP.

10.2 Following properties has been given as Collateral Securities to UCO Bank and J&K Bank in respect of various credit facilities enjoyed by Fairdeal Supplies Ltd a group company and these properties have been symbolically possessed by the UCO Bank. Please refer the details in Note No. 31 in Notes on Accounts:-

FIXED ASSETS	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	Cost as on 01.04.2015	Additions	Deletions	Cost as 31.03.2016	As On 01.04.2015	Addition / Adjustments	01.04.2015 to 31.03.2016	Deletions/ Adjustments	Total	As on 31.03.2016	As on 31.03.15
Building (at B.K.M. road howrah)	456548	-	-	456548	131838	-	7021	-	138858	317690	324710
Building (Boundry Wall)	3756567	-	-	3756567	344313	-	59606	-	403919	3352648	3412254
Godown	39555897	-	-	39555897	8562743	-	1625432	-	10188175	29367721	30993153
Land & Site Development	98957239	317688	2936000	96338927	-	-	-	-	-	96338927	98957239
WeighBridge	3248488	-	-	3248488	2808163	-	134292	-	2942455	306033	440325
<b>Total</b>	<b>145974739</b>	<b>317688</b>	<b>2936000</b>	<b>143356427</b>	<b>11847057</b>	<b>-</b>	<b>1826350</b>	<b>-</b>	<b>13673407</b>	<b>129683020</b>	<b>134127682</b>

10.3 Punjab & Sind Bank has taken Symbolic Possession of following sub leased property at Gandhi Nagar towards recovery amount due. However the company has protested the contention in case filed by the Bank in Debt Recovery Tribunal Kolkata.

FIXED ASSETS	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	Cost as on 01.04.2015	Additions	Deletions	Cost as 31.03.2016	As On 01.04.2015	Addition / Adjustments	01.04.2014 to 31.03.2016	Deletions/ Adjustments	Total	As on 31.03.2016	As on 31.03.15
Building	90018791	-	-	90018791	11300867	-	1434145	-	12735012	77283779	78717924

**Note 11 : Non Current Investments**

Particulars	31/03/2016	31/03/2015
NSC Certificate	100,000	100,000
<b>TOTAL</b>	<b>1,00,000</b>	<b>1,00,000</b>

**Note 12: Deferred Tax Assets (Net)**

Particulars	31/03/2016	31/03/2015
Deferred Tax Liability	15,671,906	14,703,627
Deferred Tax Assets	42,951,564	29,190,123
	<b>(27,279,658)</b>	<b>(14,486,496)</b>

**Deferred Tax**

	Particulars	Year Ended	
		31/03/16	31/03/15
A.	The movement in deferred tax account is as follows:		
	Opening Balance	(1,44,86,496)	(1,13,43,820)
	Provision for current year deferred tax liability(net)	(12793162)	(31,42,676)
	Closing balance of deferred tax liability/(Assets)	<b>(2,72,79,658)</b>	<b>(1,44,86,496)</b>
B.	Deferred tax assets and liabilities are being offset as they relate to taxes on income levied by the same governing taxation laws the following amounts are shown in the balance sheet		
	Deferred Tax Liabilities	15671906	147,03,627
	Deferred Tax Assets	(42951564)	(2,91,90,123)
		<b>(2,72,79,658)</b>	<b>(1,44,86,496)</b>

Particulars	Opening	Charged / Credited To P&L	Closing
<b>Deferred Tax Liabilities</b> Tax impact of difference between carrying amount of fixed assets in the financial statements and the income tax return	1,47,03,627	968279	15671906
<b>TOTAL (A)</b>	<b>1,47,03,627</b>	<b>968279</b>	<b>15671906</b>
<b>Deferred Tax Assets</b> Tax impact of expenses charged in the financial statements but allowable in future years under income tax			
Bonus Payable	1,79,284	16879	1,96,163
Unabsorbed Depreciation	NIL	34650	34650
Expenses Disallowed u/s. 43B	2,42,28,850	148,63,616	3,90,92,466
Business Losses	4244656	(31,61,683)	10,82,973
Speculation Losses	2,353	(2353)	NIL
Capital Losses	NIL	248775	248775
Provision. Doubtful Advances	146044	1710201	1856245
Provision Doubtful Debts	388936	51356	440292
<b>TOTAL(B)</b>	<b>2,91,90,123</b>	<b>12793162</b>	<b>42951564</b>
<b>Net Deferred Tax Liability/(Assets) (A-B)</b>	<b>(1,44,86,496)</b>	<b>(12793162)</b>	<b>(27279658)</b>

**Note 13 : Long Term Loans & Advances**

Particulars	31/03/2016	31/03/2015
(Unsecured and Considered Good)		
Capital Advances	2,739,000	2,739,000
Security Deposits	15,410,545	14,279,583
Other Loans & Advances	<u>120,660,463</u>	<u>122,669,733</u>
	<b><u>138,810,008</u></b>	<b><u>139,688,316</u></b>

- 13.1 Capital Advance includes payment made for advance against purchase of Land amounting to Rs. 24,70,000/- (P. Y. Rs. 24,70,000) but no agreement was executed in respect thereof. Total Capital Advances of Rs. 27,39,000 is considered doubtful and no provision has been made in respect thereof.
- 13.2 Other loans and advances includes Rs.6,50,56,579/- (Previous year Rs. 6,86,54,579/-) towards Loan provided Gateway Commodities(P) Ltd.

**Note 14 : Trade Investments**

Particulars	31/03/2016	31/03/2015
<b>Shares &amp; Securities</b>		
<b>Trade Short Term (At Cost)</b>		
<u>A.Quoted Equity Shares (Fully Paid Up)</u>	<u>Face Value</u> <u>Nos.</u> <u>Amount</u>	<u>Amount</u>
Equity shares of Shree Ashtavinayak	10.00    609,676.00    2,350,340	2,350,340
		<u>2,350,340</u>
<b>(Aggregate Market Value of Quoted Investments)</b>		<u>4,93,837</u>
<b>Investment in Immovable Properties (At Cost)</b>		<u>67,111,549</u>
<b>TOTAL</b>		<b><u>69,461,889</u></b>

\* Punjab & Sindh Bank has taken physical possession of the property situated at Kolkata shown as investment in immovable properties.

**Note 15 : Inventories**

Particulars	31/03/2016	31/03/2015
Consumables Stores & Tools	7,282	10,403
Stock in Trade	<u>125,691,308</u>	<u>112,902,152</u>
	<b><u>125,698,590</u></b>	<b><u>112,912,555</u></b>

Physical verification of inventory has not been conducted by management at reasonable interval

**Note 16: Trade Receivable**

Particulars	31/03/2016	31/03/2015
Unsecured Considered Good		
<u>Debts Outstanding For a period</u>		
Exceeding Six Months	10,422,416	13,448,027
Others	58,451,586	62,341,363
	<b><u>68,874,002</u></b>	<b><u>75,789,390</u></b>
Unsecured Considered Doubtful		
Outstanding For a period exceeding six month	87,32,752	6,914,414
Others	-	-
Less: Provisions	<u>30,77,032</u>	<u>1,258,694</u>
Less: Provision for Claim	<u>5,655,720</u>	<u>5,655,720</u>
	<b><u>68,874,002</u></b>	<b><u>75,789,390</u></b>

**16.1 Provisions for Claims:**

Nature of Liability	Provisions as on 01.04.2015	Additions	Amount used	Reversal, if any during the year	Provision as on 31-3-2016
Claims	56,55,720	Nil	Nil	Nil	56,55,720
Total	56,55,720	Nil	Nil	Nil	56,55,720

Provisions for claims are made based on deductions made for thefts and shortages by various clients. The Final Amounts of deductions will be settled only after completion of counter claims and other legal proceedings. However, based on the information available with company and past empirical experience, necessary provision has been made as per the best judgement.

16.2 The management is rigorously pursuing the recovery against doubtful debts and advances and is hopeful of recovery. Provision is made to the extent considered necessary in accordance with the principal of prudence and conservatism.

16.3 Sundry Debtors amounting Rs. 70,49,730.37 are considered doubtful of recovery but no provision has been made in respect thereof.

**Note 17: Cash & Bank Balances**

Particulars	31/03/2016	31/03/2015
<b><u>CASH &amp; BANK EQUIVALENT</u></b>		
Cash On Hand	1,061,423	1,478,085
Balances with Banks	3,557,857	504,817
In Fixed Deposits with Banks*	2,071,802	4,115,036
<b><u>OTHER BANK BALANCES</u></b>		
In Fixed Deposits with Banks*	60,000	1,171,802
	<b>6,751,082</b>	<b>7,269,740</b>

\*Fixed Deposits of Rs. 12,31,802/- (P.Y. 19,29,631/- ) are pledged with banks for various facilities.

**Note 18: Short Term Loans & Advances**

Particulars	31/03/2016	31/03/2015
<b><u>LOAN &amp; ADVANCE</u></b>		
Unsecured Considered Doubtful		
Doubtful Advance	6,007,264	472,634
Less: Provision	6,007,264	472,634
	-	-
Unsecured Considered Good		
<b><u>Loans &amp; Advances</u></b>		
Recoverable in cash or in Kind or for value to be received	7,082,808	18,057,241
Deposits	1,572,794	1,632,605
Advance Income Tax (Net)	17,264,086	17,183,795
	<b>25,919,688</b>	<b>36,873,641</b>
	<b>25,919,688</b>	<b>36,873,641</b>

18.1 Advance Recoverable in cash or in Kind or for value to be received includes Rs. 10,00,000 are considered doubtful of recovery but no provision has been made in respect thereof.

18.2 Short Term Loans & Advances includes Rs. 17,264,086 /- (P.Y. Rs. 17,183,795/-) being advance tax refundable under Income Tax Act,1961 in respect of various years withheld by authorities in respect of disputed tax demands for which appeals are pending before various authorities. The company is confident of favorable disposal of the same and hence no provision is considered necessary in respect thereof.

**Note 19 : Other Current Assets**

Particulars	31/03/2016	31/03/2015
Other Receivable	25,028,233	17,441,298
	<u>25,028,233</u>	<u>17,441,298</u>

**Note 20 : Revenue From Operations**

Particulars	31/03/2016	31/03/2015
Sale of Products	<b>242,603,140</b>	<b>214,300,618</b>
- Sale of Automobile Parts & Lubricants	242,603,140	214,300,618
Income from Services	<b>140,691,380</b>	<b>159,930,598</b>
- Logistics Operations	120,719,882	133,762,503
- Rent Income	7,100,654	10,859,287
- Wind Energy	12,870,844	15,308,808
Other Operational Income	<b>428,965</b>	<b>996,907</b>
Less: Excise Duty	-	-
	<u>383,723,485</u>	<u>375,228,123</u>

**Note 21 : Other Income**

Particulars	31/03/2016	31/03/2015
Interest on Banks(Gross,T.D.S.Rs.26451/-,P.Y.Rs.44682/-)	359,282	529,997
Interest on Others	9,237,634	17,350,909
Provision No Longer Required Written Back	49,347	250,113
Miscellaneous Income	421,256	1,150,055
	<u>10,067,519</u>	<u>19,281,073</u>

**Note 22 : Cost of Materials Consumed**

Particulars	31/03/2016	31/03/2015
Raw Materials Consumed		
Opening Stock	-	-
Add : Purchases	-	-
Less : Transferred to Traded Goods	-	-
Less : Closing Stock	-	-
-	-	-

**Note 23 : Purchase of Stock in Trade**

Particulars	31/03/2016	31/03/2015
<b>Goods Traded In</b>		
Purchases	233,527,654	193,545,023
- Purchase of Automobile Parts & Lubricants	233,527,654	193,545,023
	<u>233,527,654</u>	<u>193,545,023</u>

**Note 24 : Change in Inventories of Finished Goods & Stock in Trade**

Particulars	31/03/2016	31/03/2015
Opening Stock	112,902,152	113,213,588
Add : Transferred from raw material	-	-
Less : Closing Stock	125,691,308	112,902,152
	<u>(12,789,156)</u>	<u>311,436</u>

**Note 25 : Employee Benefit Expenses**

Particulars	31/03/2016	31/03/2015
Salary, Bonus & Allowances	21,936,037	20,357,461
Staff Welfare Expense	2,462,093	2,515,764
Employers Contribution to P.F., E.S.I., etc.	1,339,266	1,324,730
	<u>25,737,396</u>	<u>24,197,955</u>

\* Salary includes Managerial Remuneration Rs. NIL (P.Y. Rs. 4,82,258/-)

**As per Accounting Standard 15 “Employee Benefits”, the disclosure of Employee benefits as defined in the Accounting Standard are given below:**

Sr. No.	Particulars	2015-16	2014-15
<b>1</b>	<b>Reconciliation of opening and closing balance of the defined benefit obligation</b>		
	Present value of obligations as at beginning of year	2894498	2341612
	Interest cost	231560	187329
	Current Service Cost	306398	263666
	Benefits paid	(114474)	(60338)
	Actuarial (gain)/loss on obligations	20560	162229
	Present Value of Obligation as at end of Year	3338542	2894498
<b>2</b>	<b>Reconciliation of opening and closing balances of the fair value of plan asset</b>		
	Fair value of plan assets at beginning of year	3274257	2584811
	Expected return on plan assets	289385	234544
	Contributions	294777	515240
	Benefits paid	(114474)	(60338)
	Actuarial Gain/(Loss) on Plan assets	NIL	NIL
	Fair value of plan assets at the end of year	3743945	3274257
<b>3</b>	<b>Table showing fair value of plan assets</b>		
	Fair value of plan assets at beginning of year	3274257	2584811
	Actual return of plan assets	289385	234544
	Contributions	294777	515240
	Benefits paid	(114474)	(60338)
	Fair value of plan assets at the end of year	3743945	3274257
	Funded status	405403	379759
	Excess of Actual over estimated return on plan assets		
	Actual rate of return = Estimated rate of return as ARD fails on 31 <sup>st</sup> March)	NIL	NIL

Sr. No.	Particulars	2015-16	2014-15
<b>4</b>	<b>Actuarial Gain/Loss recognized</b>		
	Actuarial (gain)/loss for the year –Obligation	20560	162229
	Actuarial (gain)/Loss for the year – plan assets	NIL	NIL
	Total (gain)/Loss for the year – plan assets	20560	162229
	Actuarial (gain)/Loss recognized in the year	20560	162229
<b>5</b>	<b>Amounts to be recognized in the balance sheet</b>		
	Present value of obligations as at the end of year	3338542	2894498
	Fair value of plan assets as at the end of the year	3743945	3274257
	Funded status	405403	379759
	Net Asset/(liability) recognized in balance sheet	405403	379759
<b>6</b>	<b>Expenses Recognized in statement of profit &amp; loss</b>		
	Current Service cost	306398	263666
	Interest cost	231560	187329
	Expected return of plan assets	(289385)	(234544)
	Net actuarial (gain)/Loss recognized in the year	20560	162229
	Expenses recognized in statement of profit & loss	269133	378680
	<b>Assumptions</b>		
	Discount Rate	8 %	8 %
	Salary Escalation	7 %	7 %

**Note 26 : FINANCIAL CHARGES**

Particulars	31/03/2016	31/03/2015
Interest on Term Loans	3,040,217	1,200,069
Bank Interest	49,566,505	48,953,484
Others	1,268,915	1,162,322
	<b><u>53,875,636</u></b>	<b><u>51,315,875</u></b>

\*\* Refer Note No. 6.2

**Note 27 : OTHER EXPENSES**

Particulars	31/03/2016	31/03/2015
<b><u>Operation Expenses</u></b>		
Freight Payment	4,941,829	16,046,506
Trip Expense And Allowances	24,187,074	23,491,328
Diesel Expense	50,430,900	56,382,564
Claims	2,803,833	953,237
Loading & Unloading Expense	32,701	1,560
Repair and Maintenance - Machinery	12,256,427	12,416,686
Repair and Maintenance - Building	3,835,925	306,864
Repair and Maintenance - Others	1,122,259	2,103,077
Other Operational Expense	4,927,034	4,116,761
<b>TOTAL</b>	<b><u>104,537,982</u></b>	<b><u>115,818,582</u></b>



Particulars	31/03/2016	31/03/2015
Administrative & Other Expenses		
Travelling & Conveyance Expense	2,147,477	2,185,504
Auditors Remuneration	497,351	501,243
Insurance Premium	2,910,161	2,950,036
Rates & Taxes	945,829	1,214,996
Rent	2,501,127	1,400,772
Provision for doubtful debts and advances	7,344,168	130,634
Foreign Exchange Fluctuation	1,649,477	1,098,002
Bad debt Written off/Sundry Balance Written off (Net)	238,301	807,554
Penalty/Fines	-	62,655
Other Administrative Expense	11,936,404	13,909,724
Brokerage and commission	36,200	33,910
	<b>30,206,495</b>	<b>24,295,031</b>
<b>TOTAL OTHER EXPENSES</b>	<b>134,744,477</b>	<b>140,113,613</b>
Payment to Auditors:		
<b>PARTICULAR</b>	<b>Year ended</b>	<b>Year ended</b>
	<b>31/03/2016</b>	<b>31/03/2015</b>
a) Audit Fees	422351	428653
b) Taxation Matters	75000	65000

**Note 28 : Provision for Current Taxes**

Particulars	31/03/2016	31/03/2015
Provision for Income Tax	NIL	8,50,000
	<b>(12,793,162)</b>	<b>(3,142,676)</b>

**Note 29 : Provision for Deferred Taxes**

Particulars	31/03/2016	31/03/2015
Provision for Income Tax	(12,793,162)	(3,142,676)
	<b>(12,793,162)</b>	<b>(3,142,676)</b>

**Note 30 : Exceptional & Extra Ordinary Items**

Particulars	31/03/2016	31/03/2015
Prior Period Expenses (Net)	222,428	24,017
(Profit) on Sale of Assets	(545,113)	(4,861,287)
Loss on Sale of Fixed Assets	-	64,169
	<b>(322,685)</b>	<b>(4,773,101)</b>

\* Profit on sale of assets includes Rs. 2,84,000/- towards gain on sale of Land situated at Haldia Branch. According to information and explanation provided by management, Market value of land is Rs. 38,64,000/- as per sale deed executed while sales consideration is only Rs. 32,20,000/-.

**Note 31 : Contingent liabilities not provided for**

Particulars	2015-16	2014-15
Corporate Bank Guarantee	3,18,00,00,000	3,18,00,00,000
Claims against the Company not acknowledged as debts (including MACT claims aggregating to Rs.3,49,00,258/- for which the Company holds adequate Insurance)	4,01,51,518	4,01,51,518
Disputed Direct and Indirect Taxes for which appeals are pending at different forums	69,46,025	79,69,415
Suit filed by The New India Insurance Co Ltd to recover amount under The Carriers Act	2,12,87,770	2,12,87,770
<b>TOTAL CONTINGENT LIABILITY</b>	<b>3,24,83,85,313</b>	<b>3,24,94,08,703</b>

- 31.1 The company has provided Corporate Bank Guarantee to UCO Bank and J&K Bank in respect of Credit Facilities enjoyed by Fairdeal Supplies Ltd. In respect of such guarantee, company has given some of its Fixed Assets as Collateral Securities. Details of such Fixed Assets have been given in Note No 10.2. UCO Bank has issued demand notice dated 05-08-2012 to the borrowers/guarantors/mortgagors to repay the amount mentioned in the notice being Rs 235,94,31,422.65, failing on which the bank has taken Symbolic Possession of the properties in exercise of powers conferred upon them under the SARFAESI Act, 2008.
- 31.2 In respect of the corporate guarantee given by the company in respect of Credit facilities of Fairdeal Supplies Ltd (a group company) by UCO Bank, Government approval has not been obtained in terms of Section 295 of The Companies Act, 1956.

**Note : 32 Foreign Currency Exposure**

**32.1 Foreign Exchange Exposures not hedged at close of the Year:**

Nature of Instrument	31/03/2016 Rs.	31/03/2015 Rs.
i) Payables in USD (C.Y. \$ 4,41,088.89 P.Y. \$ 4,41,088,.89)	2,92,58,706	2,76,08,106

**32.2 (Expenditure) / Earnings in Foreign Exchange:**

Particulars	31/03/2016 Rs.	31/03/2015 Rs.
i) Currency Fluctuation	(16,49,477)	(10,98,002)
ii) CIF Value of Import	—	—
iii) FOB value of Export	—	—

**Note : 33 Earnings Per Share (EPS) Basic and Diluted**

Particulars	31/03/2016	31/03/2015
Profit/(Loss) after tax (Amount Rs.)	(42479687)	(1,83,15,629)
Weighted Average Number of Equity shares outstanding	49,77,450	49,77,450
<b>Earnings / (Loss) Per Share (Rupees)</b>	<b>(8.53)</b>	<b>(3.68)</b>

**Note : 34 Quantitative Details of Major items.**

Description	Units	Opening Stock		Purchase		Sale		Short Excess	Closing Stock	
		Qty	Value(Rs)	Qty	Value(Rs)	Qty	Value(Rs)		Qty	Value(Rs)
Automobile Components	Pcs	3,57,175 (394381)	108374444 (108253428)	9,46,844 (694330)	284316526 (229787209)	906247 (731536)	250811785 (217614017)	NIL (NIL)	397772 (3,57175)	78662410 (108374444)
Lubricants	Ltr.	3743 (6369)	4799800 (4799800)	10305 (12,860)	11260119 (188,03,856)	11100 (15,486)	1158884 (183,01,326)	NIL (NIL)	2948 (3743)	2366254 (4799800 )
Bricks	Pcs	NIL (8095)	NIL (272990)	NIL (NIL)	NIL (NIL)	NIL (8095)	NIL (359955)	NIL (NIL)	NIL (NIL)	NIL (NIL)

**Note : 35 Related Party disclosures under Accounting Standard 18**

- 1 Party where control exists** **Nil**
- 2 Other related parties with whom transactions have taken place during the year**

<p>Joint Venture Company</p> <p><b>Associates</b></p>	<p>Nil</p> <p>Fairdeal Supplies Limited</p> <p>Falgun Export Pvt. Limited</p> <p>Centre for Advanced studies in Engineering</p> <p>Fair Chemical &amp; Marketing</p> <p>Prima Financial Services Ltd.</p> <p>Fair deal (partnership firm)</p> <p>Frontline Industries Limited</p> <p>Jhunjhunwala Charitable Trust</p> <p>Scientific Weigh Bridge &amp; Auto parts(partnership firm)</p>
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- 3 Key Management Personnel & their relatives:**

Pawankumar Agrawal

Narayanprasad Agrawal

Saurabh Jhunjhunwala

Ramprasad Agrawal

Baijnath Agrawal & Sons H.U.F.

Bhagwani Devi Agrawal

Gaurav Jhunjhunwala

Hansa Agrawal

Shraddha Jhunjhunwala'

Raja Jhunjhunwala

Mukund Jhunjhunwala

Narayanprasad Agrawal & sons H.U.F.

Ramprasad Agrawal & sons H.U.F.

Renudevi Jhunjhunwala

Rewadevi Jhunjhunwala

Shilpi Jhunjhunwala

Kritin Jhunjhunwala

Venya Jhunjhunwala

Sr. No.	Nature of Transaction with Related Parties	Associates/Joint Ventures	
		2015-16	2014-15
1	<b><u>Interest on Loan</u></b>	<b>525681</b>	<b>439553</b>
	Prima Financial Services Ltd.	263118	166741
	Fairdeal Supplies Ltd	262563	272812
	Pawankumar Agrawal	457409	NIL
2	<b><u>Sale of Goods</u></b>	<b>62016290</b>	<b>26736606</b>
	M/S Fairdeal(partnership firm)	59629023	26719119
	Scientific Weigh Bridge & Auto parts(partnership firm)	2387267	17487
3	<b><u>Rent Income</u></b>	<b>61176</b>	<b>61176</b>
	Fairdeal Supplies Ltd	61176	61176
4	<b><u>Rent Expense</u></b>	<b>1922390</b>	<b>869458</b>
	Fairdeal Supplies Ltd.	66000	66000
	Ramprasad Agrawal	608040	305024
	Narayan Prasad Agrawal	608040	233082
	Pawankumar Agrawal	608040	233082
	Baijnath & Sons- HUF	32270	32270
5	<b><u>Managerial Remuneration</u></b>	<b>NIL</b>	<b>482258</b>
	Pawan Kumar Agarwal	NIL	482258
6	<b><u>Outstanding as at year end</u></b>		
	<b><u>Net Receivable</u></b>	<b>55603884</b>	<b>52,270,877</b>
	Falgun Export Pvt.Ltd	NIL	412899
	Bajrang Refractories Pvt. Ltd.	55603884	51857978
	<b><u>Net payable</u></b>		
	Falgun Export Pvt.Ltd	812789	812789
	<b><u>Unsecured Loan</u></b>	<b>4000020</b>	<b>4022084</b>
	Prima Financial Services Ltd.	2051411	1814606
	Fairdeal Supplies Ltd	1948609	2207478
	Pawan Kumar Agarwal	4119266	207597

**34. Segment Information**

**Business Segment**

Particulars	Wind Energy	Trading	Transportation	Renting of Immovable Properties	Others	Total Rs.
<u>Revenue</u> <u>External Sales :</u>						
Domestic Sales	<b>12,870,844</b> 15,308,808	<b>242,603,140</b> 214,300,618	<b>120,719,882</b> 133,762,503	<b>6,944,654</b> 10,703,287	<b>10,652,484</b> 20,433,980	<b>393,791,003</b> 394,509,196
Export Sales	-	-	-	-	-	-
Total External Sales	12,870,844 15,308,808	242,603,140 214,300,618	120,719,882 133,762,503	6,944,654 10,703,287	10,652,484 20,433,980	393,791,003 394,509,196
Add: Inter Segment Sales	-	-	-	-	-	-
Total Segment Sales/ Revenue	12,870,844 15,308,808	242,603,140 214,300,618	120,719,882 133,762,503	6,944,654 10,703,287	10,652,484 20,433,980	393,791,003 394,509,196
Segment result before interest, exceptional/ extraordinary items & tax	5,517,926 9,752,448	41,599,873 15,616,203	10,308,554 11,439,282	(357,545) 7,322,123	(42,766,135) (15,052,910)	14,302,673 29,077,146
Add: Unallocated Income Net of Unallocable Exp.	-					
Less : Interest	- 23,793	48,131,752 47,133,468	3,205,725 1,664,436	- -	2,538,158 2,494,178	53,875,636 51,315,875
Profit Before Exceptional/ Extra Ordinary items & tax	5,517,926 9,728,655	(6,531,879) (31,517,265)	7,102,828 9,774,846	(357,545) 7,322,123	(45,304,293) (17,547,088)	(39,572,962) (22,238,729)
Prior Period Adjustment & Exceptional/Extra Ordinary Items	- (290,870)	<b>(2,300)</b> 386,579	<b>173,986</b> 6,886	<b>(192,135)</b> (140,525)	<b>343,134</b> 4,811,031	<b>322,685</b> 4,773,101
Profit Before taxes	5,517,926 9,437,785	(6,534,179) (31,130,686)	7,276,814 9,781,732	(549,680) 7,181,598	(44,961,160) (12,736,057)	(39,250,278) (17,465,629)
Taxes						- 850,000
Profit After Taxes						(39,250,278) (18,315,629)
Total Assets						
<u>Segment Assets</u>	<b>25,377,371</b> 26,781,791	<b>245,883,079</b> 233,626,222	<b>58,705,368</b> 211,407,346	<b>211,069,405</b> 213,703,860	<b>179,551,621</b> 15,435,603	<b>720,586,843</b> 700,954,822
Unallocable Asset at HO						-
Total						720,586,843 700,954,822
<u>Total Liabilities</u> <u>Segment Liabilities</u>	<b>2,053,870</b> 1,625,116	<b>512,395,159</b> 42,293,353	<b>40,803,587</b> 126,823,025	- -	<b>154,337,028</b> 7,153,322	<b>709,589,645</b> 177,894,816

Unallocable Liability at HO						-
<b>Total</b>						<b>709,589,645</b> <i>177,894,816</i>
<b>Total Cost Incurred during the year to acquire segment assets</b>	-	<b>736,147</b>	<b>31,375,262</b>	<b>213,286</b>	<b>374,463</b>	<b>32,699,158</b>
	<i>12,580</i>	<i>258,262</i>	<i>1,987,296</i>	<i>213,286</i>	<i>74,655</i>	<i>2,546,079</i>
Total Cost Incurred during the year to acquire unallocable Asset	-					
Segment Depreciation	1,370,022 <i>1,377,050</i>	623,443 <i>629,031</i>	3,332,543 <i>4,414,151</i>	3,575,191 <i>3,308,842</i>	2,159,921 <i>677,625</i>	11,061,120 <i>10,406,699</i>
Segment Depreciation (Unallocable Asset)	-					
Non-cash expenses other than depreciation	- -	1,669,511 <i>74,490</i>	4,353,927 <i>970,954</i>	- -	2,543,612 -	8,567,050 <i>1,045,444</i>

1. The Figures in Italics indicate Previous Years Figure.
2. The company has disclosed business segments as the primary segments which have been identified taking into account the nature of the activities ( i.e. Wind Energy, Trading & Transportation ,Renting of immovable property) the Differing risk & returns the organizational structure and internal reporting system. The Company's operation predominantly relate to Bulk Transportation of Goods & Trading of Automotive Parts.
3. The Company's business relates to the domestic market.
4. Segment revenue, segment results, segment assets, and segment liabilities include the respective amount identifiable to each of the segment.

**Geographical Segments**

Particulars	Calcutta Division	Ahmedabad Division	Banglore Division	Total Rs.
Revenue				
<b>External Sales:</b>				
<b>Domestic Sales/Income</b>	<b>5,476,805</b> <i>19,341,997</i>	<b>306,505,021</b> <i>289,140,679</i>	<b>81,809,177</b> <i>86,026,520</i>	<b>393,791,003</b> <i>394,509,196</i>
<b>Export Sales</b>	- -	- -	- -	- -
<b>Total Sales/Income</b>	<b>5,476,805</b> <i>19,341,997</i>	<b>306,505,021</b> <i>289,140,679</i>	<b>81,809,177</b> <i>86,026,520</i>	<b>393,791,003</b> <i>394,509,196</i>
<b>Add: Inter Segment Sales</b>	- -	- -	- -	- -
<b>Total Sales</b>	<b>5,476,805</b> <i>19,341,997</i>	<b>306,505,021</b> <i>289,140,679</i>	<b>81,809,177</b> <i>86,026,520</i>	<b>393,791,003</b> <i>394,509,196</i>
<b>Less: Inter Segment Sales</b>	- -	- -	- -	- -
<b>Total Revenue</b>	<b>5,476,805</b> <i>19,341,997</i>	<b>306,505,021</b> <i>289,140,679</i>	<b>81,809,177</b> <i>86,026,520</i>	<b>393,791,003</b> <i>394,509,196</i>
<b>Total Assets</b>				
<b>Segment Assets</b>	<b>380,104,338</b> <i>392,961,364</i>	<b>322,373,370</b> <i>296,280,200</i>	<b>18,109,135</b> <i>11,713,257</i>	<b>720,586,843</b> <i>700,954,822</i>
<b>Unallocable Asset</b>				-
<b>Total Cost Incurred during the year to acquire segment assets</b>	<b>317,688</b> <i>1,251,874</i>	<b>32,359,705</b> <i>513,028</i>	<b>21,765</b> <i>781,177</i>	<b>32,699,158</b> <i>2,546,079</i>

1. The Figures in Italics indicate Previous Years Figure.
2. The company has disclosed business segments as the primary segments which have been identified taking into account the nature of the activities ( i.e. Wind Energy, Trading & Transportation, Renting of Immovable property) the differing risk & returns the organization structure and internal reporting System. The Company's operation predominantly relate to Bulk Transportation of Goods & Trading in Automotive Parts.
3. The Company's business relates to the domestic market.
4. Segment revenue, segment results, segment assets, and segment liabilities include the respective amount identifiable to each of the segment.

**For Paresh Thothawala & Co.**  
Chartered Accountants  
FRN: 114777W

**Narayanprasad Agrawal**  
Director

**Paresh Thothawala**  
Partner  
M.No. 048435  
Date: 31/05/2016  
Place: Ahmedabad

**S. K. Verma**  
Company Secretary  
**R.K.Saklani**  
C.F.O.

**Pawankumar Agrawal**  
Managing Director  
Date: 31/05/2016  
Place: Ahmedabad



## **ATTENDANCE SLIP**

DP ID \_\_\_\_\_

(To be presented at the entrance)

Folio No./Client ID \_\_\_\_\_

I/We hereby record my/our presence at the 27th Annual General Meeting of the company at 4, B. B. D. Bag (East) Stephen House, Room No. 5, 1st Floor, Kolkata-700001 on Tuesday, 27th day of September, 2016 at 10.00 a.m.

\_\_\_\_\_  
PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTERANCE OF THE MEETING HALL. JOINT SHAREHOLDER(S) MAY OBTAIN ADDITIONAL SLIP AT THE VENUE OF THE MEETING.

Signature of the Member/ Proxy





**PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 read with Rule 19(3) of the companies (Management and Administration) Rules,2014]

Name of the Member(s):

Registered address:

E-mail Id:

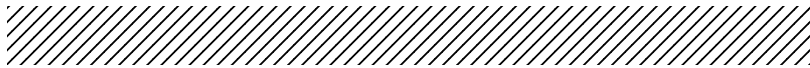
Folio No./ Client ID:DP Id:

I/We being the member(s) of \_\_\_\_\_ shares of the above named Company hereby appoint:

- (1) Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 E-mail Id: \_\_\_\_\_ or falling him;
- (2) Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 E-mail Id: \_\_\_\_\_ or falling him;
- (3) Name: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 E-mail Id: \_\_\_\_\_ or falling him;

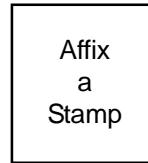
As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 27th Annual General Meeting of the company to be held on Tuesday 27th day of September, 2016 at 10.00 a.m. at 4, B. B. D. Bag (East), Stephen House, Room No. 5, 1st Floor, and Kolkata-700001 and at any adjournment thereof in respect of such resolution as are indicate below:

Resolutions No.	Particulars of Resolution	Voting	
		For	Against
	<b>ORDINARY BUSINESS</b>		
1	Consider and adopt Audited Financial Statements of the Company for the year ended 31st March, 2016 together with the Reports of the Board of Directors and Auditors' thereon and other documents attached thereto.		
2	To Reappoint Mr. Saurabh Jhunjunwala who retires by rotation and, being eligible, himself for Re-appointment.		
3	To Reappoint Mr. Narayan Prasad Agarwal who retires by rotation and, being eligible, himself for Re-appointment.		
4	Appointment of Auditors of the Company and fixing their remuneration		
5	Appointment of Branch Auditors and fixing their remuneration		
	<b>SPECIAL BUSINESS</b>		
6	To authorize the Board to enter into related party transactions with M/s. Fairdeal and Scientific Weigh Bridge and Auto Parts and M S Fairdeal Supplies Ltd.		



Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016

Affix Revenue Stamp



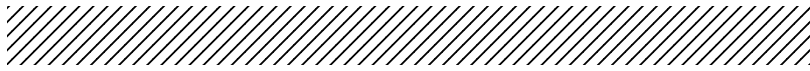
Signature of the Shareholder \_\_\_\_\_

Signature of first proxy holder \_\_\_\_\_

Signature of second proxy holder \_\_\_\_\_

Signature of third proxy holder \_\_\_\_\_





Venue Map :

4, B. B. D. Bag (East), Stephen House, Room No. 5, 1<sup>st</sup> Floor, Kolkata – 700 001



Map data ©2015 Google 500 m



BOOK - POST

If Undelivered Please return

To **FRONTLINE CORPORATION LIMITED**

4, BBD Bag (East), Room No. 5, 1st Floor,  
Stephen House, Kolkata - 700 001