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**FRONTIER**

INFORMATICS LTD

Reg. Off. : Plot No. 31 P & 32,  
3rd Floor, Tower A, Ramky Selerium,  
Financial District, Nanakramguda,  
Hyderabad-500032, Telangana, India

FRONTIER INFORMATICS LIMITED

30<sup>th</sup> Annual Report

**BOARD OF DIRECTORS**

Ramarao Atchuta Mullapudi  
Vuppuluri Sreedevi  
S. P. Vivekanada  
Archana Singh  
Rajan Babu Mothe  
Kolla Sudha

Chairman, Non-Executive & Non Independent Director  
Wholetime & Non Independent Director  
Non-Executive & Non Independent Director  
Non-Executive & Independent Director  
Non-Executive & Independent Director  
Non-Executive & Independent Director

**REGISTERED OFFICE**

Plot No. 31 P & 32, 3<sup>rd</sup> Floor,  
Tower A, Ramky Selenium,  
Financial District, Nanakramguda,  
Hyderabad-500032, Telangana, India

**CIN:L72200TG1986PLC006644**

**AUDITORS**

M/s Niranjan & Narayan,  
Chartered Accountants  
Hyderabad. Firm Regn No: 005899S

**BANKERS**

**Bank of India**  
Hyderabad Overseas Branch  
HITECH City, Madhapur  
Hyderabad-500 033

**State Bank of India**  
Ashok Nagar Branch  
Hyderabad-500 020

**REGISTRARS & SHARE TRANSFER AGENTS**

Karvy Computershare Pvt. Ltd  
Karvy Selenium Tower - B,  
Gachibowli, Financial District,  
Nanakramguda, Hyderabad – 500032

**LISTING OF EQUITY SHARES**

BSE Limited (BSE)-Mumbai

**NOTICE**

Notice is hereby given that the 30<sup>th</sup> Annual General Meeting of the members of M/s. **FRONTIER INFORMATICS LIMITED** will be held at 9.30AM on Saturday, the 29<sup>th</sup> day of September, 2018 at Lions Bhavan Trust, Behind HDFC Bank, near Paradise Circle, S D Road, Secunderabad -500003, Telangana, India, to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2018, the Profit & Loss Account and Cash Flow Statement for the period ended on March 31, 2018 along with schedules and annexure and the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. S. P. Vivekanada, who retires by rotation, and being eligible, offers himself for re-appointment.
3. **Ratification of Appointment of Auditors:**

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

“**RESOLVED THAT** pursuant to the provisions of Section 139 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 as amended from time to time, the Company hereby ratifies the appointment of M/s. Niranjan & Narayan, Chartered Accountants, Firm Regn. No: 005899S, as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the 31<sup>st</sup> AGM of the Company at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

**SPECIAL BUSINESS**

4. **Regularization of Additional Director, Mr. Ramarao Atchuta Mullapudi (Din: 02302179) as Director:**

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

“**RESOLVED THAT** pursuant to 160 & 161 of the Companies Act, 2013 and any other applicable provision (including any modification or reenactment thereof), if any, of the Companies Act, 2013, Mr. Ramarao Atchuta Mullapudi (Din: 02302179) who was appointed as an Additional Director in the meeting of the Board of Directors held on 13<sup>th</sup> April, 2018 and whose term expires at the ensuing Annual General Meeting of the Company and for the appointment of whom the Company has received a notice in writing proposing his candidature for the office of the director, be and is hereby appointed as Director of the Company who is liable to retire by Rotation.”

“**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to settle any question, difficulty or doubt that may arise in giving effect to this Resolution and to do all acts and take all such steps as may be deemed necessary, proper and expedient to implement this Resolution.”

5. **Regularization of Additional Director, Ms. Vuppuluri Sreedevi (Din: 02448540) as Director:**

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

**“RESOLVED THAT** pursuant to 160 & 161 of the Companies Act ,2013 and any other applicable provision ( including any modification or reenactment thereof ), if any, of the Companies Act, 2013, Ms. Vuppuluri Sreedevi (Din: 02448540) who was appointed as an Additional Director in the meeting of the Board of Directors held on 18<sup>th</sup> April, 2018 and whose term expires at the ensuing Annual General Meeting of the Company and for the appointment of whom the Company has received a notice in writing proposing her candidature for the office of the director, be and is hereby appointed as Director of the Company who is liable to retire by Rotation.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to settle any question, difficulty or doubt that may arise in giving effect to this Resolution and to do all acts and take all such steps as may be deemed necessary, proper and expedient to implement this Resolution.”

#### **6. Appointment of Ms. Vuppuluri Sreedevi (Din: 02448540) As Wholetime Director:**

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

**“RESOLVED THAT** pursuant to recommendation of the Nomination and Compensation Committee, and approval of the Board and subject to the provisions of Sections 196, 197, 198, 203 and other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule- V of the Companies Act, 2013 and Article 191 of Articles of Association of the Company, approval of the members of the Company be and is hereby accorded to the appointment of Ms. Vuppuluri Sreedevi (Din: 02448540), as Wholetime Director of the Company for a period of three years with effect from 18<sup>th</sup> April, 2018, as well as the payment of salary, commission and perquisites (hereinafter referred to as “remuneration”), upon the terms and conditions, which is hereby approved and sanctioned with authority to the Board of Directors to alter and vary the terms and conditions of the said appointment and / or agreement in such manner as may be agreed to between the Board of Directors and Ms. Vuppuluri Sreedevi.”

**“RESOLVED FURTHER THAT** the remuneration payable to Ms. Vuppuluri Sreedevi, shall not exceed the overall ceiling of the total managerial remuneration as provided under Section 197 of the Companies Act, 2013 or such other limits as may be prescribed from time to time.”

**“RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to any Committee of Directors or Director(s) to give effect to the aforesaid resolution.”

#### **7. Regularization of Additional Director, Ms. Kolla Sudha (Din: 06603646) as an Independent Director:**

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

**“RESOLVED THAT** pursuant to 160 & 161 of the Companies Act ,2013 and any other applicable provision ( including any modification or reenactment thereof ), if any, of the Companies Act, 2013, Ms. Kolla Sudha (Din: 06603646)who was appointed as an Additional Director, in Independent capacity, in the meeting of the Board of Directors held on 19<sup>th</sup> July, 2018 and whose term expires at the ensuing Annual General Meeting of the Company and for the appointment of whom the Company has received a notice in writing proposing her candidature for the office of the director, be and is hereby appointed as Director of the Company who is not liable to retire by Rotation.”

**“RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to settle any question, difficulty or doubt that may arise in giving effect to this Resolution and to do all acts and take all such steps as may be deemed necessary, proper and expedient to implement this Resolution.”

## 8. Preferential Allotment of shares:

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

**“RESOLVED THAT** pursuant to the provisions of Sections 42, 62(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 read with the relevant rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) (the “Act”) to the extent notified and in effect, the applicable provisions, if any, of the Companies Act, 1956 (as amended) (without reference to the provisions that have caused to have effect upon notification of provisions of the Act) and in accordance with the enabling provisions of the Memorandum of Association and Articles of Association of the Company and in accordance with the provisions on preferential issue as contained in the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009, as amended (“SEBI (ICDR) Regulations”), the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended and the rules, regulations, notifications and circulars issued thereunder and any other rules/regulations/guidelines, notifications, circulars and clarifications issued thereon from time to time by the Government of India, the Securities and Exchange Board of India (“SEBI”) and the Reserve Bank of India (“RBI”) and subject to such approvals, consents, permissions and sanctions as may be necessary or required from regulatory or other appropriate authorities, including but not limited to SEBI and subject to such conditions and modifications as might be prescribed while granting such approval, consents, permissions and sanctions and which terms may be agreed to by the Board of Directors of the Company (the “Board”, which term includes a duly constituted and authorized committee) and all such other approvals, the consent of the Members of the Company be and is hereby accorded to the Board to offer, issue, allot and deliver **3,84,00,000 (Three Crore Eighty Four Lakhs only) Equity Shares at a Price of Rs.1/- each amounting to Rs 3,84,00,000 (Rupees Three Crore Eighty Four Lakhs only)** to the under mentioned persons, on preferential basis in one or more tranches, which shall rank pari-passu with the existing equity shares of the Company, in such form and manner and upon such terms and conditions as may be determined by the Board in accordance with SEBI (ICDR) Regulation, 2009 or other provisions of the law as may be prevailing at the time.

| Sl No. | Name of the Allottee           | Investment proposed in Rs | No. of shares proposed to be allotted |
|--------|--------------------------------|---------------------------|---------------------------------------|
| 1.     | Ramarao Atchuta Mullapudi      | 1,95,00,000               | 1,95,00,000                           |
| 2.     | Velchala Premchand Krishna Rao | 6,00,000                  | 6,00,000                              |
| 3.     | Sai Kumar Palikonda Mohan      | 25,00,000                 | 25,00,000                             |
| 4.     | Mohan Ratna Babu Vaddlamudi    | 20,40,000                 | 20,40,000                             |
| 5.     | Ravi Gampala                   | 20,00,000                 | 20,00,000                             |
| 6.     | Radha Krishna Kodali           | 20,00,000                 | 20,00,000                             |
| 7.     | Sujatha Pamerla                | 20,00,000                 | 20,00,000                             |
| 8.     | Ravindranath Tagore Velicheti  | 20,00,000                 | 20,00,000                             |
| 9.     | Hari Hara Nath Mustikovila     | 20,00,000                 | 20,00,000                             |
| 10     | Hima Bindu Bellampally         | 9,00,000                  | 9,00,000                              |

|     |   |             |             |
|-----|---|-------------|-------------|
| 11. | B.Venkata Rama Rao                              | 8,00,000    | 8,00,000    |
| 12. | B.Prasanna Lakshmi                              | 5,00,000    | 5,00,000    |
| 13. | Shashikala Ambarkar                             | 3,00,000    | 3,00,000    |
| 14. | TVS Prakash Rao                                 | 2,50,000    | 2,50,000    |
| 15. | Jayalakshmi Chunduri                            | 2,50,000    | 2,50,000    |
| 16. | Varun Yadav Potail                              | 2,00,000    | 2,00,000    |
| 17. | Rajan Munjal                                    | 1,00,000    | 1,00,000    |
| 18. | Raghuram Kusuluri                               | 50,000      | 50,000      |
| 19. | Alma Lucy John                                  | 40,000      | 40,000      |
| 20. | Vasanth Velupandian                             | 40,000      | 40,000      |
| 21. | Vijay Akella                                    | 40,000      | 40,000      |
| 22. | Vuppuluri Sreedevi                              | 30,000      | 30,000      |
| 23. | Venkata Satya Sai Subba Rao<br>Vantipalli       | 30,000      | 30,000      |
| 24. | Venkata Ravindra Dunna                          | 30,000      | 30,000      |
| 25. | Venkata Vijay Ram Dunna                         | 20,000      | 20,000      |
| 26. | Siva Pavan Kumar Khandika                       | 20,000      | 20,000      |
| 27. | Pydi Raju Obbilisetty                           | 20,000      | 20,000      |
| 28. | Raja Sekhar Kunkuma                             | 20,000      | 20,000      |
| 29. | Venkata Satyanarayana Kiranbabu<br>Kollapureddy | 20,000      | 20,000      |
| 30. | Murali Poosarla                                 | 20,000      | 20,000      |
| 31. | Ramesh Kumar Chilappagari                       | 20,000      | 20,000      |
| 32. | Sudhakar Tearati                                | 20,000      | 20,000      |
| 33. | Harish Edupuganti                               | 20,000      | 20,000      |
| 34. | Venkata Reddy Vanukuri                          | 20,000      | 20,000      |
|     | TOTAL   | 3,84,00,000 | 3,84,00,000 |

RESOLVED FURTHER THAT:

- i. The Equity Shares as may be issued and allotted in accordance with the terms of the relevant offering, shall rank *pari passu* with the then existing Equity Shares of the Company in all respects, including in respect of dividend;
- ii. the Equity Shares shall be issued and allotted by the Company to the Investor in dematerialized form within a period of 15 days from the date of passing of this resolution provided that where the issue and allotment of the said Equity Shares is pending on account of pendency of any approval for such issue and allotment by any regulatory authority or the Central Government or the Stock Exchange, the issue and allotment shall be completed within a period of 15 days from the date of such approval.
- iii. the Equity Shares to be offered, issued and allotted shall be subject to lock-in as provided under the provisions Chapter VII of the SEBI (ICDR) Regulations and the Equity Shares so offered, issued and allotted will be listed subject to the receipt of necessary regulatory permissions and approvals.
- iv. For the purpose of giving effect to the foregoing and without being required to seek any further consent or approval of the Members of otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this resolution, the Board be and is hereby authorized for and on behalf of the Company:
  - a. To enter into and execute all such agreements/arrangements as the case may be with any authorities/agencies listing of the Shares/Securities on Exchange(s);
  - b. To settle any questions, difficulties, doubts that may arise in regard to the offer, issue and allotment of securities and utilization of the issue proceeds as it may in its absolute discretion deem fit;
  - c. To do all such acts, deeds, matters and things as the Board may at its sole discretion deem fit, necessary desirable for such purpose, including without limitation of the drafting, finalization, entering into and execution of any arrangements or agreements with the allottees including but not limited to the shareholders' agreements;

By order of the Board  
For **Frontier Informatics Limited**

Place: Hyderabad  
Date: 05.09.2018

Vuppuluri Sreedevi  
Wholetime Director  
DIN : 02448540

**NOTES:**

1. A member entitled to attend and vote at the annual general meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company.
2. The proxy in order to be effective must be received by the company at its registered office, duly completed and signed, not less than 48 hours before the commencement of the Annual General Meeting.
3. Members/proxies are requested to bring their copies of Annual Report and the attendance slip duly filled in for attending the meeting. Copies of the Annual Reports will not be provided at the meeting.
4. The Register of Members and Share Transfer Books of the Company will remain closed from **Monday the 24<sup>th</sup> day of September, 2018 to Saturday, 29<sup>th</sup> day of September, 2018 (inclusive of both days)**.
5. Members, who do not have their shares in demat form, are requested to notify immediately any change in their address to the share transfer agents and in case their shares are held in dematerialized form, this information should be passed on to their respective depository participants without delay.
6. Pursuant to the requirements of the listing agreement of stock exchanges, the information of the directors proposed to be appointed or Re-appointed is given in the annexure to the Corporate Governance report.
7. Shareholders holding shares in physical form are invited to contribute to the cause of Green Initiative by registering their e-mail ID, by submitting the E- COMMUNICATION REGISTRATION FORM inserted in the Annual Report.
8. Members who hold shares in dematerialized form are requested to bring their client ID and DP IDs for easy identification of attendance at the meeting.
9. Corporate Members are requested to send a duly certified copy of the Board Resolution pursuant to section 113 of the Companies Act, 2013, authorizing their representative to attend and vote at the Annual General Meeting.
10. The company has designated an exclusive email id namely, [frontier@fitindia.com](mailto:frontier@fitindia.com) for Redressal of Share Holders' complaints/grievances.
11. The MCA has taken up Green Initiative, by allowing paperless conveyance by companies, permitting sending of Annual Reports to share holders by e Mails. The Company has taken initiative and sent Annual Reports to share holders whose e-mail ids are available with the Share Transfer Agency. Other Shareholders holding shares in physical form are invited to contribute to the cause of Green Initiative by registering their e-mail ID, by submitting the E- COMMUNICATION REGISTRATION FORM inserted in the Annual Report.
12. In compliance to the provisions of section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, the company is pleased to provide to the members the facility to exercise their rights to vote at the 29th Annual General Meeting by electronic voting and the business may be transacted through eVoting service provided by Karvy Computershare Pvt Ltd (KARVY).

**13. Voting through electronic means:**

A member may exercise his votes at any General Meeting by electronic means and company may pass any resolution by electronic voting system in accordance with the Rule 20 of the Companies (Management and Administration) Rules, 2014.

During the e-voting period, members of the company holding shares either in physical form or dematerialized form, as on the cutoff date i.e., 21<sup>st</sup> September, 2018 may cast their votes electronically.



**The e-voting period will commence from Wednesday, September 26, 2018 at 09.00 am and will end at 5.00 pm on Friday, September 28, 2018. The e-voting module will be disabled on Friday, September 28, 2018 at 5.00 pm.** Members holding shares in their physical or dematerialized form as on the cutoff date of 22<sup>nd</sup> September, 2018 may cast their vote electronically. The e-Voting module shall be enabled by Karvy Computershare Pvt Ltd (KARVY) during the above mentioned period.

Once the vote on a resolution is cast by a shareholder, the shareholder shall not be allowed to change it subsequently. A copy of this notice has been placed on the website of the Company.

## **PROCEDURE AND INSTRUCTIONS FOR e-VOTING**

Remote e-voting: In compliance with the provisions of Section 108 of the Companies Act, 2013, read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and the provisions of Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by Karvy Computershare Private Limited (Karvy) on all resolutions set forth in this Notice, from a place other than the venue of the Meeting (Remote e-voting).

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

Launch internet browser by typing the URL: <https://evoting.karvy.com>.

Enter the login credentials (i.e. User ID and password). In case of physical folio, User ID will be EVEN (E-Voting Event Number) \_\_\_ followed by folio number. In case of Demat account, User ID will be your DP ID and Client ID. However, if you are already registered with Karvy for e-voting, you can use your existing User ID and password for casting your vote.

After entering these details appropriately, click on "LOGIN".

You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise of minimum 8 characters with at least one upper case (A- Z), one lower case (a-z), one numeric value (0-9) and a special character (@, #, \$, etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.

You need to login again with the new credentials.

On successful login, the system will prompt you to select the "\_\_\_" i.e., 'FRONTIER INFORMATICS LIMITED'.

On the voting page, enter the number of shares (which represents the number of votes) as on the Cut-off Date under "FOR/AGAINST" or alternatively, you may partially enter any number in "FOR" and partially "AGAINST" but the total number in "FOR/AGAINST" taken together shall not exceed your total shareholding as mentioned herein above. You may also choose the option ABSTAIN. If the Member does not indicate either "FOR" or "AGAINST" it will be treated as "ABSTAIN" and the shares held will not be counted under either head.

Members holding multiple folios/demat accounts shall choose the voting process separately for each folio/demat accounts.

Voting has to be done for each item of the notice separately. In case you do not desire to cast your vote on any specific item, it will be treated as abstained.

You may then cast your vote by selecting an appropriate option and click on "Submit".

A confirmation box will be displayed. Click “OK” to confirm else “CANCEL” to modify. Once you have voted on the resolution (s), you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).

Corporate/Institutional Members (i.e. other than Individuals, HUF, NRI etc.) are also required to send scanned certified true copy (PDF Format) of the Board Resolution/Authority Letter etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutinizer at email ID: chveeru@gmail.com with a copy marked to evoting@karvy.com. The scanned image of the above mentioned documents should be in the naming format “Corporate Name\_Event No.”

(B) In case of Members receiving physical copy of Notice [for Members whose email IDs are not registered with the Company/Depository Participants (s)]:

- i. E-Voting Event Number – \_\_\_\_ (EVEN), User ID and Password is provided in the Attendance Slip.
- ii. Please follow all steps from Sl. No. (i) to (xii) above to cast your vote by electronic means.

Voting at AGM: The Members, who have not cast their vote through Remote e-voting can exercise their voting rights at the AGM. The Company will make necessary arrangements in this regard at the AGM Venue. Members who have already cast their votes by Remote e-voting are eligible to attend the Meeting; however those Members are not entitled to cast their vote again in the Meeting.

A Member can opt for only single mode of voting i.e. through Remote e-voting or voting at the AGM. If a Member casts votes by both modes then voting done through Remote e-voting shall prevail and vote at the AGM shall be treated as invalid.

## **OTHER INSTRUCTIONS**

In case of any query and/or grievance, in respect of voting by electronic means, Members may refer to the Help & Frequently Asked Questions (FAQs) and E-voting user manual available at the download section of <https://evoting.karvy.com> (Karvy Website) or contact Mr. B Srinivas , Manager (Unit: FRONTIER INFORMATICS LIMITED ) of Karvy Computershare Private Limited, Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad - 500 032 or at email ID : [einward.ris@karvy.com](mailto:einward.ris@karvy.com) and [evoting@karvy.com](mailto:evoting@karvy.com) or phone no. 040 – 6716 2222 or call Karvy's toll free No. 1-800-3454-001 for any further clarifications.

You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

The remote e-voting period commences on Wednesday, September 26, 2018 (9.00 a.m. IST) and ends on Friday, September 28, 2018 (5.00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September, 2018, may cast their votes electronically. A person who is not a Member as on the cut-off date should treat this Notice for information purposes only. The remote e-voting module shall be disabled for voting thereafter. Once the vote on a resolution(s) is cast by the Member, the Member shall not be allowed to change it subsequently.

The voting rights of Members shall be in proportion to their share of the paid up equity share capital of the Company as on the cut-off date i.e. 22nd September, 2018.

In case a person has become a Member of the Company after dispatch of AGM Notice but on or before the cut-off date for E-voting i.e., 22nd September, 2018, he/she may obtain the User ID and Password in the manner as mentioned below :

If the mobile number of the member is registered against Folio No./ DP ID Client ID, the member may sendSMS: MYEPWD <space> E-Voting Event Number+Folio No. or DP ID Client ID to 9212993399

Example for NSDL:

MYEPWD <SPACE> IN12345612345678

Example for CDSL:

MYEPWD <SPACE> 1402345612345678

Example for Physical:

MYEPWD <SPACE> XXXX1234567890

If e-mail address or mobile number of the member is registered against Folio No. / DP ID Client ID, then on the home page of <https://evoting.karvy.com>, the member may click "Forgot Password" and enter Folio No. or DP ID Client ID and PAN to generate a password.

Member may call Karvy's toll free number 1800-3454-001.

Member may send an e-mail request to [einward.ris@karvy.com](mailto:einward.ris@karvy.com). However, Karvy shall endeavour to send User ID and Password to those new Members whose mail ids are available.

The Board of Directors has appointed Mr. Ch. Veeranjanyulu (C.P. No- 6392), Partner of M/s VCSR & ASSOCIATES, Company Secretaries, as scrutinizer to scrutinize the remote evoting and poll voting process in fair and transparent manner. The Scrutinizer shall immediately after the conclusion of voting at the Annual General Meeting (AGM), first count the votes cast at the AGM thereafter he will unblock the votes castes through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and will submit the Consolidated Scrutinizer's Report, not later than 3 working days, of total votes cast in favor or against, if any, to the Chairman of the Company.

By order of the Board  
For **Frontier Informatics Limited**

Place: Hyderabad  
Date: 05.09.2018

Vuppuluri Sreedevi  
Wholetime Director  
DIN : 02448540

## ANNEXURE TO THE NOTICE - EXPLANATORY STATEMENT

**(Pursuant to Section 102 of Companies Act, 2013)****ITEM NO. 4:**

Mr. Ramarao Atchuta Mullapudi (Din: 02302179) who was appointed as an Additional Director of the Company, categorized as Independent, by the Board of Directors with effect from 13<sup>th</sup> April, 2018, in terms of Section 161 of the Companies Act, 2013. The Company has received notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act, proposing the candidature of Mr. RamaraoAtchuta Mullapudi for the office of Non-Executive Non-Independent Director of the Company, to be appointed as such under the provisions of Section 149 and 152 of the Companies Act, 2013.

The Company has received (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; (ii) intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014, from Mr. RamaraoAtchuta Mullapudi to the effect that he is not disqualified in accordance with sub-section (2) of Section 164 of the Companies Act, 2013 and in terms of Schedule IV of the Companies Act, 2013 and a copy of the draft letter of appointment, setting out the terms and conditions of appointment of Mr. RamaraoAtchutaMullapudi, is available for inspection, without any fee, by the members at the Company's registered office during normal hours on working days up to the date of the AGM.

The Board recommends the resolution set forth in item No. 4 of the notice for approval of the members.

**Item No.5:**

Ms. Vuppuluri Sreedevi (Din: 02448540) who was appointed as an Additional Director of the Company, categorized as Executive, by the Board of Directors with effect from 18<sup>th</sup> April, 2018, in terms of Section 161 of the Companies Act, 2013. The Company has received notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act, proposing the candidature of Ms. Vuppuluri Sreedevi (DIN: 02448540) for the office of Whole Time Director of the Company for a period of Three Years, to be appointed as such under the provisions of Section 149 and 152 of the Companies Act, 2013.

The Company has received (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; (ii) intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014, from Ms. Vuppuluri Sreedevi to the effect that she is not disqualified in accordance with sub-section (2) of Section 164 of the Companies Act, 2013 and a copy of the draft letter of appointment, setting out the terms and conditions of appointment of Ms. Vuppuluri Sreedevi, is available for inspection, without any fee, by the members at the Company's registered office during normal hours on working days up to the date of the AGM.

The Board recommends the resolution set forth in item No. 5 of the notice for approval of the members.

**Item No.6:**

**APPOINTMENT OF Ms. VUPPULURI SREEDEVI (Din: 02448540) AS WHOLETIME DIRECTOR OF THE COMPANY:**

The Board of Directors of the Company at their meeting held on April 18th, 2018 and subject to the approval of the members has appointed Ms. Vuppuluri Sreedevi (Din: 02448540) as Wholetime Director for a period of 3 Years from April 18th, 2018.

The Nomination &remuneration Committee of the Board at its meeting held on April 18th, 2018 has reviewed and recommended that remuneration will not be payable to any of the Executive Directors of the Company for the Financial Year 2018-19, in view of the losses being suffered by the company. The Board recommends the resolution set out in item no: 6 of the notice for approval of the members.

**Item No.7:**

Ms. Kolla Sudha (Din: 06603646) who was appointed as an Additional Director of the Company, categorized as Independent, by the Board of Directors with effect from 19<sup>th</sup> July, 2018, in terms of Section 161 of the Companies Act, 2013. The Company has received notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act, proposing the candidature of Ms. KollaSudha (Din: 06603646) for the office of Independent Director of the Company, to be appointed as such under the provisions of Section 149 and 152 of the Companies Act, 2013.

Section 149 (10) of the Companies Act, 2013 provides that an independent director shall hold office for a term of up to Five consecutive years on the Board. Further, Section 149 (13) of the Companies Act, 2013 states that the provisions relating to retirement of directors by rotation shall not apply to the appointment of independent directors. Mrs. Archana Singh (DIN:07328641), being eligible, the resolution seeks the approval of members for her appointment as an Independent Director.

No director, key managerial personnel or their relatives is interested or concerned in the resolution. The Board recommends the resolution set forth in Item no. 7 for the approval of members.

Details of Directors seeking appointment in the 30<sup>th</sup> Annual General Meeting:

|  |   |   |   |
|--|---|---|---|
| Name of the Director   | Mr.Ramarao Atchuta Mullapudi  | Ms.Vuppuluri Sreedevi   | Ms. Kolla Sudha   |
| Director Identification Number (DIN)   | 02302179  | 02448540  | 06603646  |
| Date of Birth  | 23 <sup>rd</sup> August, 1964   | 27 <sup>th</sup> March 1976   | 7th September, 1969   |
| Nationality  | American Citizen, PIO of India  | Indian  | Indian  |
| Date of Appointment on Board   | 13 <sup>th</sup> April 2018   | 18 <sup>th</sup> April, 2018  | 19 <sup>th</sup> July, 2018   |
| Relationship with other Directors  | NIL   | NIL   | NIL   |
| Qualification  | Master in Computer ApplicationsGraduate of Harvard Business School OPM Program and an Harvard Business School Alumni  | Graduate in Commerce  | Graduate in Commerce  |
| Shareholding in Frontier Informatics Limited (as on 5 <sup>th</sup> September, 2018) | 60,00,125 Equity Shares of Rs 1/- each  | NIL   | NIL   |
| Expertise in specific functional areas   | Rama founded XTGlobal in 1998 to provide IT Consulting and Software Solutions to businesses throughout the United States. He has managed the firm from inception through multifold growth into one of the fastest growing private | Ms. Sreedevi V is the founder director of Xenosoft Technologies (India) Pvt. Ltd. She actively participates in all day to day Finance, accounts and administrative activities of the Company. | MsSudha worked in Construction Industry for the Past 15 Years. She became the Director of SSK Avenues Pvt. Ltd.She has been a Whole time working Director for the Company, SSK Avenues Pvt. Ltd., for the past 4 Years.Simultaneously,she is involved in promotion of |

|   |   |   |   |
|---|---|---|---|
|   | companies in America. Rama expanded XTGlobal to India in 2006 to establish an IT delivery Center based in Hyderabad, India. Prior to this, Rama worked for Alcatel & AT&T |   | Hydro Electric Projects, now under persuasion with various Governments. She is known for her acumen in Finance and Administration |
| List of Directorships held in other Companies (as on 31st March, 2018)                                | Xenosoft Technologies (India) Private Limited   | Xenosoft Technologies (India) Private Limited | SSK Avenues Private Limited   |
| Memberships / Chairmanship of the Committees of Directors of other Companies (as on 31st March, 2018) | NIL   | NIL   | NIL   |

There are no inter-se relationships between the Board Members.

### Item No.8 Preferential Allotment of shares

Your Company proposes to issue equity shares on preferential basis which will enable the company to raise further capital and increase the Equity Base of the Company for meeting the working capital requirements, expansion of the company and to augment the required funds for the proposed future projects of the Company. In view of this, it is proposed to create, offer, issue and allot 3,84,00,000 ( Three Crore Eighty Four Lakhsonly) equity shares of Rs.1/- each fully paid to the share holders as identified in the proposed resolution. The company is in receipt of letters from the proposed allottees, undertaking to contribute to their respective shares after appropriate procedural aspects are completed.

The details of the issue and other particulars as required in terms of the Chapter VII of the SEBI (LODR) Regulations, 2015 in relation to the above said Special Resolution are given as under.

**a) Object of the issue:** To mobilize funds for funding current/future expansion plans/activities of the Company, augmenting working capital and general corporate purposes.

**b) The proposal of the Promoters, Directors or Key Management persons to subscribe to the offer:** The details of Promoters, Directors or Key Management persons of the Company intending to subscribe for the equity shares, with their present and proposed share holding is as under :

| Name of the Promoter           | Present Share holding (No of Shares) | Present Share holding % | Proposed Preferential Allotment (No of Shares) | Total Shares (post preferential Allotment) | Total Post paid % | Increase/ (Decrease) in % |
|--------------------------------|--------------------------------------|-------------------------|--|--|-------------------|---------------------------|
| Ramarao Atchuta Mullapudi      | 60,00,125                            | 47.41%                  | 1,95,00,000                                    | 2,55,00,125                                | 49.95%            | 2.54%                     |
| Velchala Premchand Krishna Rao | 1,61,275                             | 1.27%                   | 6,00,000                                       | 7,61,275                                   | 1.49%             | 0.22%                     |
| V.Radha Bai                    | 550                                  | -                       | --   | 550  | --                | --                        |
| Total                          | 61,61,950                            | 48.69%                  | 2,01,00,000                                    | 2,62,61,950                                | 51.50%            | 2.76%                     |

**c) Shareholding pattern before and after preferential issue of the capital would be as follows:**

| S.No. | CATEGORY  | Pre issue holding details |               | Post issue holding details |               |
|-------|---|---------------------------|---------------|----------------------------|---------------|
|       |   | Total Number of shares    | % of shares   | Total Number of shares     | % of Shares   |
| A     | Shareholding of Promoters & Promoter Group:                                       |                           |               |                            |               |
| 1     | Indian Promoters  | 1,61,275                  | 1.27%         | 7,61,275                   | 1.49%         |
| 2     | Foreign Promoters   | 60,00,125                 | 47.41%        | 2,55,00,125                | 49.95%        |
|       | <b>Sub-Total (A)</b>  | <b>61,61,400</b>          | <b>48.69%</b> | <b>2,62,91,400</b>         | <b>51.44%</b> |
| B     | Public Share holding  |                           |               |                            |               |
| 3     | Institutions  |                           |               |                            |               |
| A     | Financial Institutions/Banks  | 600                       | -             | 600                        | -             |
| B     | Mutual Funds & UTI  | 5,900                     | 0.05%         | 5,900                      | 0.01%         |
| C     | Venture Capital Funds   |                           | -             | -                          | -             |
| D     | FIs   | -                         | -             | -                          | -             |
| E     | Foreign Venture Capital Investors   | 2,800                     | 0.02%         | 2,800                      | 0.01%         |
| 4     | Non-Institutions  | -                         | -             | -                          | -             |
| (i)   | Individuals Holding upto 2.00 lakhs nominal value                                 | 54,60,032                 | 43.14%        | 60,20,032                  | 11.79%        |
| (ii)  | Individuals Holding above 2.00 lakhs nominal value                                | 4,52,141                  | 3.57%         | 1,81,92,141                | 35.63%        |
| (iii) | Clearing Members  | -                         | -             | -                          | -             |
| (iv)  | Others including companies  | 5,72,327                  | 4.52%         | 5,72,327                   | 1.12%         |
|       | <b>Sub-Total (B)</b>  |                           |               |                            |               |
| C     | Any Others:<br>Shares held by Custodians against Depository Receipts, FCCBs etc., | -                         | -             | -                          | -             |
|       | <b>Sub-Total (c)</b>  | <b>64,93,800</b>          | <b>51.31%</b> | <b>2,47,63,800</b>         | <b>48.56%</b> |
|       | <b>Grand Total (A+B)</b>  | <b>1,26,55,200</b>        | <b>100%</b>   | <b>5,10,55,200</b>         | <b>100%</b>   |

**d) Proposed time within which the allotment shall be completed:**

The Company will complete the issue & allotment of Equity Shares within a period of 15 days from the date of passing of the resolutions by the shareholders or where the allotment on preferential basis requires any approval by any regulatory authority like Stock Exchanges or Central Government or any statutory body, the allotment of shares will be completed within 15 days from the date of such approvals.



e) Identity of [the natural persons who are the ultimate beneficial owners of the shares proposed to be allotted and/or who ultimately control] proposed allottee(s) of equity shares and the percentage of the post issue capital that may be held by them / her on conversion of the equity shares into shares:

| S.No | Name & Address of the proposed Allottee | Ultimate Beneficial owner(s) of the shares | Relation, if any, with the promoters or person in control of the Company | Percentage of the post issue capital that may be held by him / her |
|------|---|--|--|--|
| 1    | Ramarao Atchuta Mullapudi               | Own  | Promoter   | 49.95%   |
| 2    | Velchala Premchand Krishna Rao          | Own  | Promoter   | 1.49%  |
| 3    | Sai Kumar Pallikonda Mohan              | Own  | Public   | 4.90%  |
| 4    | Mohan Ratna Babu Vaddlamudi             | Own  | Public   | 4.00%  |
| 5    | Ravi Gampala                            | Own  | Public   | 3.92%  |
| 6    | Radha Krishna Kodali                    | Own  | Public   | 3.92%  |
| 7    | Sujatha Pamerla                         | Own  | Public   | 3.92%  |
| 8    | Ravindranath Tagore Velicheti           | Own  | Public   | 3.92%  |
| 9    | Hari Hara NathMustikovila               | Own  | Public   | 3.92%  |
| 10   | HimaBindu Bellampally                   | Own  | Public   | 1.76%  |
| 11   | B.Venkata Rama Rao                      | Own  | Public   | 1.57%  |
| 12   | B.Prasanna Lakshmi                      | Own  | Public   | 0.98%  |
| 13   | Shashikala Ambarkar                     | Own  | Public   | 0.59%  |
| 14   | TVS Prakash Rao                         | Own  | Public   | 0.49%  |
| 15   | Jayalakshmi Chunduri                    | Own  | Public   | 0.49%  |
| 16   | Varun Yadav Potail                      | Own  | Public   | 0.39%  |
| 17   | Rajan Munjal                            | Own  | Public   | 0.20%  |
| 18   | Raghuram Kusuluri                       | Own  | Public   | 0.10%  |
| 19   | Alma Lucy John                          | Own  | Public   | 0.08%  |
| 20   | Vasanth Velupandian                     | Own  | Public   | 0.08%  |
| 21   | Vijay Akella                            | Own  | Public   | 0.08%  |
| 22   | Vuppuluri Sreedevi                      | Own  | Public   | 0.06%  |
| 23   | Venkata Satya Sai Subba Rao             | Own  | Public   | 0.06%  |

|    |  |     |        |       |
|----|--|-----|--------|-------|
|    | Vantipalli                                   |     |        |       |
| 24 | Venkata Ravindra Dunna                       | Own | Public | 0.06% |
| 25 | Dunna Venkata Vijay Ram                      | Own | Public | 0.04% |
| 26 | Siva Pavan Kumar Khandrika                   | Own | Public | 0.04% |
| 27 | Pydi Raju Obbilisetty                        | Own | Public | 0.04% |
| 28 | Rajasekhar Kunkuma                           | Own | Public | 0.04% |
| 29 | Venkata Satyanarayana Kiranbabu Kollapureddy | Own | Public | 0.04% |
| 30 | Murali Poosarla                              | Own | Public | 0.04% |
| 31 | Ramesh Kumar Chilappagari                    | Own | Public | 0.04% |
| 32 | Sudhakar Tearati                             | Own | Public | 0.04% |
| 33 | Harish Edupuganti                            | Own | Public | 0.04% |
| 34 | Venkata Reddy Vanukuri                       | Own | Public | 0.04% |

**f) Change in the Composition of the Board of Directors and Control of the Company:**

There will not be any change in the composition of the Board of Directors and control of the Company on account of the proposed preferential allotment but there will be a corresponding change in the shareholding pattern as well as voting rights consequent to the preferential allotment.

**g) Undertaking:**

I. the issuer shall re-compute the price of the specified securities in terms of the provision of these regulations where it is required to do so.

II. If the amount payable on account of the re-computation of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked-in till the time such amount is paid by the allottees.

**h) Non transferability of the Securities** The securities issued and allotted on a preferential basis hereunder will be subject to lock-in as specified under Chapter VII of the SEBI (LODR) Regulations, 2015.

**i) Pricing of the Issue and Relevant Date:**

The equity shares of the Target Company are listed on the BSE Limited ("BSE") only. Based on the trading volumes observed from BSE website, the equity shares are **infrequently traded** in terms of Regulation 2(1)(j) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("SEBI (SAST) Regulations"). Therefore valuation of equity shares being issued at such a price (including premium) not lower than the minimum price as stipulated in Chapter VII of SEBI (ICDR) Regulations (Regulation 76) is not applicable to the company.

In this Context, the company obtained Valuation Report dated 3<sup>rd</sup> September, 2018 from M/s Ramesh Kumar Rao & Co, Chartered Accountants with ten years of standing, confirming the minimum price for the preferential issue as per Preferential Issue Guidelines in Chapter VII of SEBI (LODR) Regulations, 2015 along with the calculation thereof and the same is made available for inspection at the Registered Office of the Company.

As per Section 62(1)(C) of the Companies Act, 2013, approval of the shareholders in the General Meeting is required for the issue of the shares by way of preferential allotment as stated in the resolution. Hence consent of the shareholders by way of special resolution is being sought for the issue of such equity shares on preferential basis.

The Board recommends the resolution set forth in item No. 8 of the notice for approval of the members.

None of the Directors, key Managerial Personnel or their relatives are directly/indirectly concerned or interested in any manner in the above resolution, except to the extent of their shareholding in the company.

By order of the Board  
For **Frontier Informatics Limited**

Place: Hyderabad  
Date: 05.09.2018

Vuppuluri Sreedevi  
Wholtime Director  
DIN : 02448540

**DIRECTORS' REPORT**

To  
The Members,  
Frontier Informatics Limited,  
Hyderabad.

Your Directors hereby present the Thirtieth Annual Report together with the audited accounts of the Company for the year ended March 31, 2018.

**1. The Financial Results and operations are as follows:**

(Rupees in Lakhs)

| PARTICULARS                                 | For the year<br>2017-18 | For the year<br>2016-17 |
|---|-------------------------|-------------------------|
| Total Income                                | 3.05                    | 3.42                    |
| Gross Profit / (Loss) before Depreciation   | (26.29)                 | (19.38)                 |
| Depreciation                                | 0.83                    | 0.75                    |
| Operating Profit / (Loss)                   | (27.12)                 | (20.13)                 |
| Interest                                    | 4.50                    | 0.00                    |
| Prior Period Adjustments/ Write Offs/ Taxes | 0.00                    | 0.00                    |
| Net Profit / (Loss) after tax               | (31.63)                 | (20.13)                 |
| Earnings per Share                          | (0.25)                  | (0.30)                  |
| Net Worth                                   | (178.22)                | (206.59)                |

**2. Change in nature of business, if any**

There is no change in the nature of business of the company.

**3. Reserves & Surplus**

During the year under review the Company has not transferred any amount to its General Reserve in Balance Sheet.

**4. Dividend**

In view of the accumulated losses your directors express their inability to declare any dividend.

**5. Business Operations**

The Company has been executing AMC of Software products of the company. The Company hopes to achieve sizable business as the Company is in the process of infusing further capital through Preferential Allotment of Shares. The management is of the firm belief that during the current Financial Year 2018-19, the company will mop up substantial business and there will be turn around in the operations of the company.

## **6. Fixed Deposits**

The Company has not accepted any fixed deposits from the public within the meaning of section 73/74 of the Companies Act, 2013.

## **7. Particulars of Loan, Guarantees and Investments under Section -186**

The Company does not have any loans, guarantees and investments covered under section 186 of the Companies Act, 2013.

## **8. Particulars of Contracts or Arrangements with Related Parties**

Your Company has not entered into any Related Party Contracts under the provisions of the Section 188 (1) of the Companies Act, 2013 during the year under review.

## **9. Conservation Of Energy, Technology Absorption, Foreign Exchange Earning And Outgo**

As required under Section 134(3)(m) of the Companies Act, 2013, read with The Companies (Accounts) Rules, 2014, the particulars in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo are mentioned herein below:

- A. Conservation of Energy: Nil
- B. Technology Absorption: Nil
- C. Foreign Exchange: Nil

## **10. Directors and Key Managerial Personnel**

### **A. Directors**

During the Year under review, The Board of Directors of the company is duly constituted and the following changes took place:

- Mr. R. Anantha Chary and Mr. T. Raj Kumar have resigned from the office of directors of the Company w.e.f. 14.08.2017
- Mr. V K Premchand has been appointed as Managing Director of the company for a period of one year without any remuneration w.e.f. 01.10.2017
- Mr. Sambasiva Prasad has been appointed as Executive director of the company for a period of one year without any remuneration w.e.f. 28.10.2017
- Mr. V. K. Premchand has resigned from the directorship of the company w.e.f. 04.12.2017
- Mr. T. Raj Kumar has been appointed as Executive Non-Independent Director of the company with effect from 01.01.2018 and has resigned w.e.f. 18.04.2018
- Mr. M. Samba Siva Prasad has resigned from the directorship of the company w.e.f. 01.01.2018

The following changes have been made in the composition of the Board of Directors after 31<sup>st</sup> March, 2018:

- Mr. Ramarao Atchuta Mullapudi has been appointed as Non Executive, Non Independent Director and Chairman of the company w.e.f. 13.04.2018
- Mrs. Vuppuluri Sreedevi has been appointed as Executive Director of the company w.e.f. 18.04.2018
- Mrs. Kolla Sudha has been appointed as Independent Director of the Company w.e.f. 19.07.2018
- Mr. Vunnava Purnachandra Rao has resigned from the directorship of the company w.e.f. 19.07.2018

The appointment is subject to approval of the share holders at the Annual General meeting of the company in respect of whom the company has received a notice in writing proposing their candidature for appointment of Directors of the company.

The Board recommends the resolutions as set forth in item No.4, 5, 6 and 7 of the notice for approval of the members. For the perusal of the shareholders, brief resumes of the Directors being re-appointed along with necessary particulars are given in the Explanatory statement of the notice.

In accordance with the requirements of the Companies Act 2013, read with the Articles of Association of the company, Mr. Vivekananda Sreepakalapati is liable to retire by rotation and being eligible offer himself for re-appointment. The Board recommends for his reappointment.

The committees of the Board have been reconstituted and also renamed in line with the requirements, the details of which are provided elsewhere in this report.

## **B. Key Managerial Personnel**

Pursuant to the provisions of section 203 of the Act, there are no key managerial personnel for the Company as on the date. The Company is in search of competitive individuals for the Position of Key Managerial Personnel.

### **Number of meetings of the board:**

Thirteen meetings of the board were held during the year. For details of the meetings of the board, please refer to the corporate governance report, which forms part of this report.

No Extraordinary General Meetings of the company was held during the year.

The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013.

**Board evaluation:**

The board of directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 (“SEBI Listing Regulations”).

The performance of the board was evaluated by the board after seeking inputs from all the directors on the basis of the criteria such as the board composition and structure, effectiveness of board processes, information and functioning, etc.

The performance of the committees was evaluated by the board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees, effectiveness of committee meetings, etc.

The board and the nomination and remuneration committee reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc. In addition, the chairman was also evaluated on the key aspects of his role.

In a separate meeting of independent directors, performance of non-independent directors, performance of the board as a whole and performance of the chairman was evaluated, taking into account the views of executive directors and non-executive directors. The same was discussed in the board meeting that followed the meeting of the independent directors, at which the performance of the board, its committees and individual directors was also discussed. Performance evaluation of independent directors was done by the entire board, excluding the independent director being evaluated.

**Policy on directors’ appointment and remuneration and other details:**

The Company’s policy on directors’ appointment and remuneration and other matters provided in section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of this report.

**11. Statement on the declaration given by the Independent Directors as per Section 149(6) of Companies Act, 2013**

The company has received necessary declarations from the Independent Directors under section 149(7) of Companies Act, 2013, that they meet the criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and Regulation 25 of Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2016.

## 12. Directors' Responsibility Statement

In accordance with sub-section section 134 of the Companies Act, 2013, the Directors of the Company state:

- That in the preparation of the accounts for the financial year ended 31<sup>st</sup> March 2018; the applicable accounting standards have been followed along with proper explanation relating to material departures.
- That the directors had 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 profit and loss of the Company for that period.
- That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safe guarding the assets of the company and for preventing and deleting fraud and other irregularities.
- That the directors had prepared the annual accounts on the going concern basis.
- That the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- That the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## 13. Extract of annual return

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in **MGT-9** as a part of this Annual Report as **Annexure I**.

## 14. Auditors

### A. Statutory Auditors:

The Statutory Auditors of the company M/s Niranjan & Narayan, Chartered Accountants, Hyderabad, retire at the conclusion of ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a letter from the Auditors for their re-appointment, to the effect that such re appointment will be in conformity with Section 139 of the Companies Act 2013 and also in compliance of the Listing Agreement regarding Peer Review. The board and the Audit committee recommend the re-appointment of M/s. Niranjan & Narayan Chartered Accountants, Hyderabad as Statutory Auditors to hold office till conclusion of the Next Annual General Meeting



## **B. Secretarial Auditor**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board had appointed Mr. Ch. Veeranjanyulu as Secretarial Auditor who is a partner of M/s VCSR & Associates, Company Secretaries in Whole-time Practice, to carry out Secretarial Audit for the financial year 2017-18. The Secretarial Audit report is annexed herewith as “(Annexure II)” & annexure to it. The report is self-explanatory and do not call for any further comments.

### **Comments of Secretarial Auditors in their report, and the respective Explanation of the Board of Directors: Auditors Comment:**

(a) The company is required to appoint Key Managerial persons i.e. Chief Financial Officer and Company Secretary

**Director’s Statement:** The Company is in the process of selecting suitable persons and would appoint them in due course of business.

## **15. Corporate Governance and Management Discussion & Analysis Reports**

The Corporate Governance and Management Discussion & Analysis Report, which form an integral part of this Report, are set out as Annexure respectively together with the Certificate from the auditors of the Company regarding compliance with the requirements of Corporate Governance as per SEBI Listing Regulations.

## **16. Vigil Mechanism**

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at [www.fitlindia.com](http://www.fitlindia.com)

## **17. Risk Management**

The board of directors of the Company has formed a risk management committee to frame, implement and monitor the risk management plan for the Company. The committee is responsible for reviewing the risk management plan and ensuring its effectiveness. The audit committee has additional oversight in the area of financial risks and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis. The development and implementation of risk management policy has been covered in the management discussion and analysis, which forms part of this report.

## **18. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition And Redressal) Act, 2013.**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy.

The following is the summary of sexual harassment complaints received and disposed during the calendar year

- ❖ No. of complaints received: Nil
- ❖ No. of complaints disposed off: Nil

## **19. Corporate Social Responsibility (CSR)**

Even though the provisions of Companies Act, 2013 regarding Corporate Social Responsibility are not attracted to the company, yet the Company has been, over the years, pursuing as part of its corporate philosophy, an unwritten CSR policy voluntarily which goes much beyond mere philanthropic gestures and integrates interest, welfare and aspirations of the community with those of the Company itself in an environment of partnership for inclusive development.

## **20. Code of Conduct**

The Board has laid down a code of conduct for all Board Members, senior management and employees of the Company. The relevant Declaration is enclosed as an attachment to the Directors' Report.

## **21. Details of Subsidiary/Joint Ventures/Associate Companies**

The company does not have any Subsidiary/ Joint Venture/ Associate Companies requiring disclosure pursuant to sub-section (3) of section 129 of the Act.

**22. Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report**

During the year an open offer was made by Mr. Ramarao Atchuta Mullapudi and the company has allotted 60,00,000 equity shares of Rs.1/- each on preferential basis to Mr. Ramarao Atchuta Mullapudi and the company has obtained listing approval for the shares from BSE, vide letter dated July 30, 2018.

**23. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future**

There are no such events.

**24. Internal Control Systems and Their Adequacy**

The details in respect of internal financial control and their adequacy are included in the management discussion & analysis, which forms part of this report.

**25. Particulars of Employees**

There are no such employees requiring disclosure pursuant to the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, statement of particulars of employees.

**26. Listing with Stock Exchanges**

The equity shares of the Company are listed at the BSE Limited. The listing fee is paid for the financial year 2018-19.

**27. Additional Information**

Information pursuant to Section 134 (3) (l) & (m) of the Companies Act, 2013 which is included as a part of Corporate Governance Report.

**28. Acknowledgements**

Your Directors wish to acknowledge the valuable support and cooperation, extended by Bank of India and State Bank of India and all other Government Agencies. Your Directors also express their appreciation to the shareholders of the Company for their forbearance during a difficult period and for reposing confidence in the future ahead. Your Directors wish to place on record their appreciation of the hard work, dedication and commitment exhibited by its employees at all levels.

By order of the Board  
For **Frontier Informatics Limited**

V Sreedevi  
Wholetime Director  
DIN : 02448540

Place: Hyderabad  
Date: 05.09.2018

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### A. Industry Structure and Development

IT Business of most Indian Software Development companies can be classified into Onsite Consulting Services, Offshore Software Services, Product Sales and IT Enabled Services. While Onsite Consulting Services has witnessed a steady growth, Offshore Software business has experienced a significant change either through Dedicated Development Centers for overseas partners or Joint Ventures. The product sales of Indian companies in the international markets has been miniscule, while IT enabled services business has seen a strident growth during the last 4 to 5 years.

**The future direction clearly favors Offshore Software Services and IT enabled Services.**

### B. Opportunities

- a. Offshore Software Maintenance and Enhancements
- b. IT Enabled Services/BPO Operations.
- c. Increased IT spending within India.

### C. Threats, Risks and Concerns

- a. Competition from countries like China and European Countries in the medium to long term.
- b. Large international companies establishing their own subsidiaries instead of depending on Indian Companies.
- c. Countries like USA bringing in legislation to prevent work from going to outside Countries.

In spite of certain negative factors in the international markets, company believes that there are enough global opportunities to be tapped. Countries like China will take a few more years before they can provide wide ranging Software Services of high quality. Company intends to concentrate on Offshore opportunities in Software Maintenance and IT enabled services space as well as computer education and training in the coming few years.

### D. Segment wise Performance

Statement of Accounting Standard - AS 17 issued by The Institute of Chartered Accountants of India on Segment Reporting is not applicable to the company as there is no reportable segment which meets the criteria laid down under this standard.

### E. Outlook

The management is planning to make reasonable business in the areas of Health Care, and Training and put more marketing efforts to secure Business. The company however suffers from lack of working capital and overseas presence. The company is not able to raise finances due to the losses incurred by the company over the past few years, which have reduced the company to negative net worth. Your directors are contemplating various

measures for improving the strength of the balance sheet and to enable the company to raise investment and other form of funding.

**F. Risk and Concerns**

The changing situation in USA and Europe may lead to more restrictions on off-shore projects and stringent norms for Onsite Consulting services.

**G. Internal control system and their adequacy**

The Company has established adequate internal control systems and procedures both in financial and operational areas that are commensurate with the size and nature of the business of the Company. The constitution of Audit Committee with independent non-executive Directors is instrumental in ensuring mainly the following:

1. Oversight of Company's financial reporting process and the disclosures of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Reviewing with management the annual financial statements before submission to the Board, focusing primarily on any changes in accounting policies, compliances with accounting standards etc.
3. Discussion with the senior management to ensure adherence to the internal Control systems and processes.
4. To ensure that appropriate controls are established and are effective throughout every software development project and conforming to Software Engineering Practices.

**H. Discussion on financial performance with respect to operational performance**

Financial statements are prepared under the Historical Cost Convention in accordance with the Indian Generally Accepted Accounting Principles and the provisions of the Companies Act, 2013.

The company suffered huge losses during the past several years. Most of the losses are on account of depreciation loss incurred over the years representing depreciation written off on software products developed by the company during the years 1995 to 2003. The company could not exploit the software products developed for various reasons including paucity of working capital resources.

The losses incurred over the years are as under:

| (Rs. In Lacs) |                        |               |
|---------------|------------------------|---------------|
| Sl. No.       | Year                   | Total of Year |
| 1             | Year ending March 2011 | (267.11)      |
| 2             | Year ending March 2012 | (166.88)      |
| 3             | Year ending March 2013 | (7.15)        |
| 4             | Year ending March 2014 | (25.16)       |
| 5             | Year ending March 2015 | (25.82)       |
| 6             | Year ending March 2016 | (48.23)       |
| 7             | Year ending March 2017 | (20.13)       |
| 8             | Year ending March 2018 | (31.63)       |

**I. Material development in human resources/Industrial relations front, including number of people employed**

Human Resource Development is a key area for growth and smooth functioning of any organization. The management recognized two major areas, which will lead to achieve this goal, namely, creating good working environment and imparting continuous training in latest technologies. Continuous up gradation of skills plays a key role in employee's retention and job satisfaction and company has taken adequate measures in this regard.

The company has cordial relations with its employees and staff.

Efforts of the company are well recognized in India as well as abroad.

**Cautionary Statement**

Statements in this management discussion and analysis describing the company's objectives, projections, estimates, expectations may be considered to be forward looking statements and actual results could differ materially from those expressed or implied. Factors which could make a significant difference to the Company's operations include demand supply conditions, market prices, input component costs and availability, changes in Government regulations and tax laws besides other factors such as litigations, over which the Company may not have any control.

**Annexure I****FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN  
As on financial year ended on 31.03.2018**

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

**I. REGISTRATION & OTHER DETAILS:**

|    |  |   |
|----|--|---|
| 1. | CIN  | L72200TG1986PLC006644   |
| 2. | Registration Date  | 29/07/1986  |
| 3. | Name of the Company  | <b>FRONTIER INFORMATICS LIMITED</b>   |
| 4. | Category/Sub-category of the Company                                       | COMPANY LIMITED BY SHARES   |
| 5. | Address of the Registered office & contact details                         | Plot No. 31 P & 32, 3 <sup>rd</sup> Floor, Tower A, Ramky Selenium, Financial District, Nanakramguda, Hyderabad-500032, Telangana, India            |
| 6. | Whether listed company   | YES   |
| 7. | Name, Address & contact details of the Registrar & Transfer Agent, if any. | KARVY COMPUTERSHARE PVT. LTD<br>Karvy Selenium Tower – B, Plot Nos 31-32,<br>Gachi Bowli, Financial District, Nanakramguda,<br>Hyderabad - 500 032. |

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

| S. No. | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
|--------|--|---------------------------------|------------------------------------|
| 1      | Software Services                                | 8921                            | 100%                               |

### III. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)\*

#### Category-wise Shareholding

| Category of Shareholders                  | No. of Shares held at the beginning of the year[As on 31-March-2017] |              |               |                   | No. of Shares held at the end of the year[As on 31-March-2018] |              |                |                   | % Change during the year |
|---|--|--------------|---------------|-------------------|--|--------------|----------------|-------------------|--------------------------|
|   | Demat  | Physical     | Total         | % of Total Shares | Demat  | Physical     | Total          | % of Total Shares |                          |
| <b>A. Promoters</b>                       |  |              |               |                   |  |              |                |                   |                          |
| <b>(1) Indian</b>                         |  |              |               |                   |  |              |                |                   |                          |
| a) Individual/ HUF                        | 159325   | 12899        | 172224        | 2.59              | 159325   | 12899        | 172224         | 1.36              | (1.23)                   |
| b) Central Govt                           |  |              |               |                   |  |              |                |                   |                          |
| c) State Govt(s)                          |  |              |               |                   |  |              |                |                   |                          |
| d) Bodies Corp.                           |  |              |               |                   |  |              |                |                   |                          |
| e) Banks / FI                             |  |              |               |                   |  |              |                |                   |                          |
| f) Any other<br>--Foreign Residents       | 113570   | 25601        | 139171        | 2.09              | 6113695  | 25601        | 6139296        | 48.51             | 46.42                    |
| <b>Total shareholding of Promoter (A)</b> | <b>272895</b>  | <b>38500</b> | <b>311395</b> | <b>4.68</b>       | <b>6273020</b>   | <b>38500</b> | <b>6311520</b> | <b>49.87</b>      | <b>45.19</b>             |
| <b>B. Public Shareholding</b>             |  |              |               |                   |  |              |                |                   |                          |
| <b>1. Institutions</b>                    |  |              |               |                   |  |              |                |                   |                          |
| a) Mutual Funds                           | --   | 5900         | 5900          | 0.09              | --   | 5900         | 5900           | 0.05              | (0.04)                   |
| b) Banks / FI                             | --   | 600          | 600           | 0.01              | --   | 600          | 600            | 0.00              | (0.00)                   |
| c) Central Govt                           |  |              |               |                   |  |              |                |                   |                          |
| d) State Govt(s)                          |  |              |               |                   |  |              |                |                   |                          |
| e) Venture Capital Funds                  |  |              |               |                   |  |              |                |                   |                          |
| f) Insurance Companies                    |  |              |               |                   |  |              |                |                   |                          |
| g) FIs                                    | --   | 2800         | 2800          | 0.04              | --   | 2800         | 2800           | 0.02              | (0.02)                   |
| h) Foreign Venture Capital Funds          |  |              |               |                   |  |              |                |                   |                          |
| i) Others (specify)                       |  |              |               |                   |  |              |                |                   |                          |
| <b>Sub-total (B)(1):-</b>                 | <b>--</b>  | <b>9300</b>  | <b>9300</b>   | <b>0.14</b>       | <b>--</b>  | <b>9300</b>  | <b>9300</b>    | <b>0.07</b>       | <b>(0.07)</b>            |
| <b>2. Non-Institutions</b>                |  |              |               |                   |  |              |                |                   |                          |
| a) Bodies Corp.                           |  |              |               |                   |  |              |                |                   |                          |
| i) Indian                                 | 334569   | 42050        | 376619        | 5.66              | 342819   | 26144        | 368963         | 2.92              | (2.74)                   |
| ii) Overseas                              |  |              |               |                   |  |              |                |                   |                          |
| b) Individuals                            |  |              |               |                   |  |              |                |                   |                          |



|  |         |        |         |       |          |        |          |       |         |
|--|---------|--------|---------|-------|----------|--------|----------|-------|---------|
| i) Individual shareholders holding nominal share capital up to Rs. 2 lakh        | 4743551 | 502000 | 5245551 | 78.82 | 4735766  | 515989 | 5251755  | 41.50 | (37.32) |
| ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh | 452141  | 0      | 452141  | 6.79  | 452141   | 0      | 452141   | 3.57  | (3.22)  |
| c) Others HUFs(specify)  | 118614  | 0      | 118614  | 1.78  | 118209   | 0      | 118209   | 0.93  | (0.85)  |
| Non Resident Indians   | 42680   | 98900  | 141580  | 2.13  | 43820    | 99492  | 143312   | 1.13  | (0.99)  |
| Overseas Corporate Bodies  |         |        |         |       |          |        |          |       |         |
| Foreign Nationals  |         |        |         |       |          |        |          |       |         |
| Clearing Members   |         |        |         |       |          |        |          |       |         |
| Trusts   |         |        |         |       |          |        |          |       |         |
| Foreign Bodies - D R   |         |        |         |       |          |        |          |       |         |
| <b>Sub-total (B)(2):-</b>  | 5691555 | 642950 | 6334505 | 95.18 | 5692755  | 641625 | 5692755  | 50.05 | (45.13) |
| Total Public Shareholding (B)=(B)(1)+ (B)(2)                                     | 5691555 | 652250 | 6343805 | 95.32 | 5692755  | 650925 | 5692755  | 50.13 | (45.19) |
| <b>C. Shares held by Custodian for GDRs &amp; ADRs</b>                           |         |        |         |       |          |        |          |       |         |
| <b>Grand Total (A+B+C)</b>   | 5964450 | 652250 | 6655200 | 100   | 11965775 | 689425 | 12655200 | 100   | ---     |

\*Board passed Resolution to give effect to reduction of Share capital as on 23-05-2017. The effect of reduction is applied to shareholding reported as on 31.03.2017 to show comparability.

\*Preferential allotment of 60,00,000 equity shares is made in terms of Board Resolution passed on 20-03-2018, which is included in the Shareholding as of 31.03.2018. The listing approval for the shares is received from BSE on 30-07-2018.

## B) Shareholding of Promoter-

| S<br>N | Shareholder's Name        | Shareholding at the beginning of the year |                                  |  | Shareholding at the end of the year |                                  |  | % change in shareholding during the year |
|--------|---------------------------|---|----------------------------------|--|-------------------------------------|----------------------------------|--|--|
|        |                           | No. of Shares                             | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares                       | % of total Shares of the company | % of Shares Pledged / encumbered to total shares |  |
| 1      | V K Premchand             | 160725                                    | 2.42                             | --   | 160725                              | 1.27                             | ----   | (1.15)                                   |
| 2      | *V .Agam Rao              | 200                                       | 0.00                             | --   | --                                  | --                               | --   | --                                       |
| 3      | *Yogesh Sood              | 3362                                      | 0.05                             | --   | --                                  | --                               | --   | --                                       |
| 4      | *Sudarshan Grover         | 7617                                      | 0.11                             | --   | --                                  | --                               | --   | --                                       |
| 5      | V.Radha Bai               | 550                                       | 0.01                             | --   | 550                                 | 0.00                             | --   | --                                       |
| 6      | *V.Kondal Rao             | 50  | 0.00                             | --   | --                                  | --                               | --   | --                                       |
| 7      | *G.Ananda Bai             | 50  | 0.00                             | --   | --                                  | --                               | --   | --                                       |
| 8      | *V.Upendra Rao            | 25  | 0.00                             | --   | --                                  | --                               | --   | --                                       |
| 9      | *Rajan Munjal             | 87370                                     | 1.31                             | --   | --                                  | --                               | --   | --                                       |
| 10     | *Muralidhar A             | 24696                                     | 0.37                             | --   | --                                  | --                               | --   | --                                       |
| 11     | *Satyam V.Chary           | 15150                                     | 0.23                             | --   | --                                  | --                               | --   | --                                       |
| 12     | *Sudhakar Reddy           | 300                                       | 0.00                             | --   | --                                  | --                               | --   | --                                       |
| 13     | *Sree Jayanthi Y          | 11300                                     | 0.17                             | --   | --                                  | --                               | --   | --                                       |
| 14     | Ramarao Atchuta Mullapudi | --  | --                               | --   | 6000125                             | 47.41                            | --   | 47.41                                    |
|        | TOTAL                     | 311395                                    | 4.68                             |  | 6161400                             | 48.68                            |  | 44.00                                    |

\* During the year the company re classified these promoters from Promoter Group to Public category; The outgoing promoters submitted letters, expressing their desire to be grouped as public, since they have not participating in the activities of the company for the past several years. A special resolution was passed for the purpose in the general meeting held on 29-12-2017, and appropriate filings before BSE are also initiated.

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

| SN | Particulars   | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|----|---|---|----------------------------------|---|----------------------------------|
|    |   | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
|    | At the beginning of the year  | 311395                                    | 4.68                             | 161275                                  | 1.27                             |
|    | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):<br>Board Resolution dated 20-032018<br>Acquired in Open Offer |   |                                  | 6000000<br>125                          | 47.41                            |
|    | At the end of the year  | 311395                                    | 4.68                             | 6622792                                 | 48.68                            |

**D) Shareholding Pattern of top ten Shareholders:  
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

| SN | For Each of the Top 10 Shareholders   | Shareholding at the beginning of the year |                                  | Cumulative Shareholding during the year |                                  |
|----|---|---|----------------------------------|---|----------------------------------|
|    |   | No. of shares                             | % of total shares of the company | No. of shares                           | % of total shares of the company |
|    | At the beginning of the year  | 1076606                                   | 16.18                            | 7035029                                 | 55.59                            |
|    | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | --  | --                               | --                                      | --                               |
|    | At the end of the year  | 1076606                                   | 16.18                            | 7035029                                 | 55.59                            |

## E) Shareholding of Directors and Key Managerial Personnel:

| SN | Shareholding of each Directors and each Key Managerial Personnel  | Shareholding at the beginning of the year |                              | Cumulative Shareholding during the year |                              |
|----|---|---|------------------------------|---|------------------------------|
|    |   | No. of shares                             | % of total shares of company | No. of shares                           | % of total shares of company |
|    | At the beginning of the year  | 160725                                    | 2.42                         | 160725                                  | 1.27                         |
|    | Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.): | --  | --                           | 6000125                                 | 47.41                        |
|    | At the end of the year  | 160725                                    | 2.42                         | 6160850                                 | 49.68                        |

**IV. INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Rs in Lakhs

|  | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| <b>Indebtedness at the beginning of the financial year</b> |                                  |                 |          |                    |
| i) Principal Amount  | --                               | 237.73          | --       |                    |
| ii) Interest due but not paid                              | --                               | --              | --       |                    |
| iii) Interest accrued but not due                          | --                               | --              | --       |                    |
| <b>Total (i+ii+iii)</b>                                    | --                               | 237.73          | --       |                    |
| Change in Indebtedness during the financial year           | --                               |                 | --       |                    |
| * Addition   | --                               | 22.31           | --       |                    |
| * Reduction  | --                               | --              | --       |                    |
| Net Change   | --                               | 22.31           | --       |                    |
| <b>Indebtedness at the end of the financial year</b>       | --                               |                 | --       |                    |
| i) Principal Amount  | --                               | 260.04          | --       |                    |
| ii) Interest due but not paid                              | --                               | 4.05            | --       |                    |
| iii) Interest accrued but not due                          | --                               | --              | --       |                    |
| <b>Total (i+ii+iii)</b>                                    | --                               | 264.09          | --       |                    |

**V. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL- NIL**

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

| SN. | Particulars of Remuneration   | Name of MD/WTD/ Manager |   |   | Total Amount |  |
|-----|---|-------------------------|---|---|--------------|--|
|     |   |                         |   |   |              |  |
| 1   | Gross salary  |                         |   |   |              |  |
|     | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | N                       | I | L |              |  |
|     | (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<br>- as % of profit<br>- others, specify...                              |                         |   |   |              |  |
| 5   | Others, please specify  |                         |   |   |              |  |
|     | Total (A)   |                         |   |   |              |  |
|     | Ceiling as per the Act  |                         |   |   |              |  |

**B. Remuneration to other directors: NIL**

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

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

| SN | Particulars of Remuneration   | Key Managerial Personnel |    |     |       |
|----|---|--------------------------|----|-----|-------|
|    |   | CEO                      | CS | CFO | Total |
| 1  | Gross salary  |                          |    |     |       |
|    | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | N                        | I  | L   |       |
|    | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             |                          |    |     |       |
|    | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961              |                          |    |     |       |
| 2  | Stock Option  |                          |    |     |       |
| 3  | Sweat Equity  |                          |    |     |       |
| 4  | Commission  |                          |    |     |       |
|    | - as % of profit  |                          |    |     |       |
|    | others, specify...  |                          |    |     |       |
| 5  | Others, please specify  |                          |    |     |       |
|    | Total   |                          |    |     |       |

**VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

| Type                                | Section of the Companies Act | Brief Description | Details of Penalty / Punishment/ Compounding fees imposed | Authority [RD / NCLT/ COURT] | Appeal made, if any (give Details) |
|-------------------------------------|------------------------------|-------------------|---|------------------------------|------------------------------------|
| <b>A. COMPANY</b>                   |                              |                   |   |                              |                                    |
| Penalty                             |                              |                   |   |                              |                                    |
| Punishment                          |                              |                   |   |                              |                                    |
| Compounding                         |                              | N                 | I   | L                            |                                    |
| <b>B. DIRECTORS</b>                 |                              |                   |   |                              |                                    |
| Penalty                             |                              |                   |   |                              |                                    |
| Punishment                          |                              |                   |   |                              |                                    |
| Compounding                         |                              |                   |   |                              |                                    |
| <b>C. OTHER OFFICERS IN DEFAULT</b> |                              |                   |   |                              |                                    |
| Penalty                             |                              |                   |   |                              |                                    |
| Punishment                          |                              | N                 | I   | L                            |                                    |
| Compounding                         |                              |                   |   |                              |                                    |

**Annexure-II**  
**Form No. MR-3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2018**  
**[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,  
FRONTIER INFORMATICS LIMITED,  
Hyderabad

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. FRONTIER INFORMATICS LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the FRONTIER INFORMATICS 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, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Frontier Informatics Limited ("the Company") for the financial year ended on 31<sup>st</sup> March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder 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; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

We have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with Bombay Stock Exchange(s);

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

As per the Provisions of Section 203 of the Companies Act, 2013, your company is required to appoint Company Secretary and Chief Financial Officer of the company. As explained to us, the Company is in the process of selecting suitable candidates for appointment of Company Secretary and Chief Financial Officer.

We 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.

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

We 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.

For VCSR & Associates

Company secretaries

Sd/-

(Ch. Veeranjanyulu)

Partner

C P No.: 6392

Place: Hyderabad

Date: 05.09.2018

*Note:* This report is to be read with our letter of even date which is annexed as 'Annexure A' and forms an integral part of this report.



**'ANNEXURE A'**

To  
The Members,  
FRONTIER INFORMATICS 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 VCSR & Associates  
Company secretaries

(Ch.Veeranjaneyulu)  
Partner  
C P No.:6392  
Place: Hyderabad  
Date: 05.09.2018

## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2017-18

In compliance with the Listing Agreement with Stock Exchanges the Company submits the report on the matters mentioned in the said Clause and practice followed by the Company:

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company attaches importance to good Corporate Governance and the code of governance as formulated by the Stock Exchange/SEBI and other authorities in the right earnest. It will be the endeavor of the Board of Directors that the Company is so governed as to maximize the benefits of all stakeholders (i.e., shareholders, employees, customers, society) and others. The Company has been implementing the clauses of Corporate Governance from time to time.

### COMPOSITION OF BOARD

The Board of the Company consists of both Executive and Non Executive Directors. It presently consists of Six (6) Directors out of whom One is Whole Time Director, Two are non executive non independent Directors and Three (3) are Independent Directors. The non-executive and Independent directors possess rich and varied experience in different facets of corporate functioning. They play active role in the meetings of the Board. The Board formulates policy decisions so as to lead and control the Company.

### BOARD MEETINGS

During the year under review, Thirteen (13) meetings of the Board of Directors were held. The time gap between any two Board Meetings has not exceeded four months. The Names and Categories of the Directors on the Board, their attendance at Board Meetings held during the Financial Year 2017-18 and at the last Annual General Meeting, and also the number of Directorships and Committee positions held by them in other companies as on March 31, 2018 are given below:

| Name                     | Category                                       | Number of Board Meetings attended | Whether attended AGM held on 29.12.2017 | No. of Directorships in all other Companies | No. of committee Positions held in all other Companies |        |
|--------------------------|--|-----------------------------------|---|---|--|--------|
|                          |  |                                   |   |   | Chairman   | Member |
| Shri V.K.Premchand       | Managing Director                              | 9                                 | Yes                                     | 2   | -  | -      |
| Archana Singh            | Non Executive Director                         | 10                                | Yes                                     | 1   | -  | -      |
| Rajan Babu Mothe         | Non Executive Director                         | 9                                 | Yes                                     | Nil   | -  | -      |
| Potail Yadav Varun       | Non Executive Director                         | -                                 | No                                      | Nil   | -  | -      |
| Vunnava Purnachandra Rao | Chairman, Independent & Non Executive Director | 13                                | Yes                                     | 1   |  |        |

|                   |                                      |   |     |   |   |   |
|-------------------|--------------------------------------|---|-----|---|---|---|
| S. P. Vivekananda | Independent & Non Executive Director | - | No  | 3 | - | - |
| T. Raj Kumar      | Independent & Non Executive Director | 4 | Yes | 2 | - | - |
| R. Anantha Chary  | Independent & Non Executive Director | 4 | No  | 1 | - | - |

The dates on which the Board Meetings were held during the year 2017-18 were 13<sup>th</sup> April, 2017, 4<sup>th</sup> May, 2017, 23<sup>rd</sup> May 2017, 29<sup>th</sup> May 2017, 14<sup>th</sup> August, 2017, 26<sup>th</sup> August, 2017, 18<sup>th</sup> September, 2017, 28<sup>th</sup> October, 2017, 14<sup>th</sup> November, 2017, 4<sup>th</sup> December, 2017, 1<sup>st</sup> January, 2018, 14<sup>th</sup> February, 2018 and 20<sup>th</sup> March 2018.

Apart from sitting fees, Non-Executive Independent Directors do not have any other pecuniary relationship or transactions with the Company, its promoters or its Management, which in the opinion of the Board may affect the independent judgment of the Director.

#### CODE OF CONDUCT

The Code of Conduct as adopted by the Board of Directors, is applicable to the Directors, both executive and non-executive and Senior Management team comprising of members of Management one level below the Executive Directors, including all functional heads.

A declaration by the Managing Director affirming the compliance of the Code of Conduct for Board Members and senior management executives is also annexed separately at the end of this report.

#### AUDIT COMMITTEE

The Board has four members in the Audit Committee, consisting of both executive and Non-Executive Directors.

The Audit Committee met Four times during the financial year i.e on 29<sup>th</sup> May, 2017, 14<sup>th</sup> August, 2017, 14<sup>th</sup> November 2017 and 14<sup>th</sup> February 2018. The attendance record of the Audit Committee members is given below:-

| Name of the Member          | Category      | Designation | No. of Meetings held | Attended |
|-----------------------------|---------------|-------------|----------------------|----------|
| Mr Vunnava Purnachandra Rao | Independent   | Chairman    | 4                    | 4        |
| *V.K.Premchand              | Executive     | Member      | 4                    | 3        |
| *T.Raj Kumar                | Non Executive | Member      | 4                    | 1        |
| *R.Anantha Chary            | Non Executive | Member      | 4                    | 1        |
| Archana Singh               | Independent   | Member      | 4                    | 3        |
| M.Rajan Babu                | Independent   | Member      | 4                    | 3        |

\*During the year V.K.Premchand, T.Raj Kumar and R.Anantha Chary resigned from Directroship of the Company

The role of the audit committee in brief is to review financial statements, internal controls, accounting policies and internal audit. The quarterly financial results are placed before the audit committee for its review, suggestions and recommendations, before taking the same to the Board. The internal audit plans are drawn in consultation with the Managing Director, Chief Financial Officer, Heads of departments and the audit committee. The committee reviews the internal auditors report periodically. The committee also tracks the implementation of its guidelines/suggestions through review of action taken reports. A statement in summary form of transactions with related parties in the ordinary course of business is placed periodically before the committee apart from details of material individual transactions with the related parties. The Representatives of Statutory Auditors are permanent invitees to the Audit Committee meetings.

#### **NOMINATION AND REMUNERATION COMMITTEE**

The Company had constituted Nomination and Remuneration committee with Mr. Vunnava Purnachandra Rao, Mrs Archana Singh and Mr. M.Rajan Babu all non-executive Directors.

#### **BRIEF DESCRIPTION OF TERMS OF REFERENCE:**

- To approve the fixation/revision of remuneration of Executive Directors of the Company and while approving:
  - a. to take into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc.
  - b. to bring out objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.
- To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and /or removal.
- To carry out evaluation of every Director's performance.
- To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
- To formulate the criteria for evaluation of Independent Directors and the Board.
- To recommend/review remuneration of the Managing Director and Whole-time Director(s) based on their performance and defined assessment criteria.

During the year there were no changes in the terms and conditions with regard to remuneration payable to Executive Directors and hence conducted two meetings during the year. The broad terms of reference of the remuneration committee are to approve/recommend to the Board the salary (including annual increments) perquisites and commission including pension rights and any compensation payment to be paid to the Company's Managing/Whole – Time Directors.

**Remuneration policy:** The Company while deciding the remuneration package of the management takes into consideration the employment scenario, remuneration package of the industry, financial performance of the company and talents of the appointee.

### REMUNERATION OF DIRECTORS

The non-executive directors do not receive any remuneration from the Company and are paid Sitting Fee for attending the meetings of the Board and Committee Meetings. There is no pecuniary relationship or transactions between independent non-executive Directors and the Company.

Since the company is suffering losses Managing Director and Executive Director consented not to draw any salary for the year ended 31.03.2018, hence the aggregate value of salary, perquisites to Managing/Executive Director are NIL.

Notice period, severance fee and stock options to the above personnel -Nil

Details of Shares of the Company held by the Directors as on March 31, 2018 are as below:

| Name                            | Designation | No. of Shares |
|---------------------------------|-------------|---------------|
| Premchand Krishna Rao, Velchala | Director    | 1,60,725      |
| Ramarao Atchuta Mullapudi       | Director    | 60,00,125     |

### STAKEHOLDERS RELATIONSHIP COMMITTEE

The Share Transfer and Investor Grievances Committee have been renamed as above.

The Board delegated the authority to approve transfer of shares to a Committee of Directors. The Share Transfer and Investors' Grievances Committee consists of directors Mr.M.Rajan Babu, Mrs Archana Singh and Mr. V.K.Premchand. The compliance officer is Mr. V.K.Premchand.

The meetings of the Committee are held at frequent intervals to approve transfers, transmissions, issue of duplicate shares and resolving investors' grievances, etc. The company has replied through the Depository Participant agent in respect of complaints received in the earlier year. The minutes of the Committee meetings are placed before the Board for its noting on a regular basis.

**DETAILS OF COMPLAINTS/REQUESTS RECEIVED, RESOLVED AND PENDING DURING THE YEAR 2017-18:**

| Particulars                                 | Year ended 31.03.2018 |
|---|-----------------------|
| Pending at the beginning of the year        | NIL                   |
| Received during the year                    | 2                     |
| Disposed of during the year                 | 2                     |
| Remaining unresolved at the end of the year | NIL                   |

**INDEPENDENT DIRECTORS' MEETING:**

As per clause 7 of the schedule IV of the Companies Act (Code for Independent Directors), a separate meeting of the Independent Directors of the Company (without the attendance of Non-Independent directors) was held on 30.03.2018, to discuss:

1. Evaluation of the performance of Non Independent Directors and the Board of Directors as whole;
2. Evaluation of the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors of the Company were present at the meeting.

As required under Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the company regularly familiarizes Independent Directors 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.

**GENERAL BODY MEETINGS**

The details of last three Annual General Meetings (AGM) are given below:

| Year | Date of AGM                     | Time     | Held at                             | No of Special Resolutions passed in AGM |
|------|---------------------------------|----------|-------------------------------------|---|
| 2017 | 29 <sup>th</sup> December 2017  | 09.30 AM | Lions Bhavan Trust,<br>Secunderabad | Yes -5-                                 |
| 2016 | 30 <sup>th</sup> December 2016  | 09.30 AM |                                     | Yes -4-                                 |
| 2015 | 30 <sup>th</sup> September 2015 | 10.00 AM |                                     | Yes -3-                                 |

There were no resolutions in the last year that were put through postal ballot. Similarly no special resolutions are proposed to be passed through postal ballot in the ensuing Annual General Meeting.

### **RISK ASSESSMENT AND MINIMISATION PROCEDURE**

In order to ensure that Management controls risk through means of a properly defined framework, a report on Risk Assessment and Minimization Procedure as prepared by functional heads of the Company is being reviewed periodically by the board of Directors. The Board of Directors of the Company is continuously briefed, by the Managing Director, with the developments and performance of the Company so as to enable them to monitor the same at regular intervals. Reports on risk assessment and minimization process and new initiatives proposed by the Company are also presented to them for suggestions and up gradation.

### **DISCLOSURES**

#### **A. Related Party Transactions**

Details of materially significant related party transactions are annexed to the Accounts. There were no transactions during the year with related parties that were prejudicial to the interests of the Company.

#### **B. Compliances made by the Company**

The Company has continued to comply with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years; no penalties, strictures have been imposed on the Company by the Stock Exchanges, SEBI and other statutory authorities related to the above.

#### **C. Communication to Shareholders**

The quarterly and Annual Results are being published in the Business Standard and Andhra Bhoomi. Quarterly and Annual Financial Results of the Company are furnished to the Stock Exchange as per the requirements of the Listing Agreement.

#### **D. Whistle Blower Policy**

The Company promotes a favorable environment for employees to have an open access to the Audit Committee, respective Functional Heads, Head- HRD, Managing Directors so as to ensure ethical and fair conduct of the business of the Company and that no personnel has been denied access to the Audit Committee.

### **General Shareholders Information**

The following information would be useful to Shareholders:

- a) The 30th Annual General Meeting of the Company will be held at 09.30 AM on Saturday, the 29<sup>th</sup> day of September, 2018 at Lions Bhavan Trust, Behind HDFC Bank, near Paradise Circle, S D Road, Secunderabad -500003, Telangana, India
- b) The Financial Year of the Company was from 1<sup>st</sup> April 2017 to 31<sup>st</sup> March 2018.

- c) Date of Book Closure: from Monday the 24<sup>th</sup> Day of September 2018 to Saturday the 29<sup>th</sup> day of September, 2018 (inclusive of both days)
- d) The Shares of the Company are listed on the Stock Exchange, Mumbai (BSE).
- e) The Stock Code is 531225
- f) The CIN number of the Company is : L72200TG1986PLC006644
- g) The Share and Depository Transfer Agent: M/s. Karvy Computershare Pvt Ltd, Karvy Selenium Tower – B, Plot No 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad.
- h) Dematerialization of Shares: The Company's shares are traded compulsorily in dematerialized form. In this connection, the Company has already entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the Company's ID is INE547B01028. The members are requested to dematerialize their physical holding in view of various advantages of holding the shares in dematerialized form. As on 31<sup>st</sup> March 2018, 1,19,65,775 shares are under dematerialization, representing 94.55.% of the paid up capital.
- i) Distribution of shareholding as on 31<sup>st</sup> March, 2018:

| Holding of number of Shares or Debentures | Share/Debenture (Holders) |               | Shares/Debentures (Amount) |               |
|---|---------------------------|---------------|----------------------------|---------------|
|   | Number                    | %             | Rs.                        | %             |
| 1 - 5000                                  | 10,830                    | 98.64         | 37,04,956                  | 29.28         |
| 5001 - 10000                              | 75                        | 0.68          | 5,30,342                   | 4.19          |
| 10001 - 20000                             | 40                        | 0.36          | 5,70,872                   | 4.51          |
| 20001 - 30000                             | 15                        | 0.14          | 3,79,488                   | 3.00          |
| 30001 - 40000                             | 2                         | 0.02          | 65,286                     | 0.52          |
| 40001 - 50000                             | 2                         | 0.02          | 96,500                     | 0.76          |
| 50001 - 100000                            | 10                        | 0.09          | 6,50,598                   | 5.14          |
| 100001 - Above                            | 5                         | 0.05          | 66,57,158                  | 52.60         |
| <b>Total</b>                              | <b>10,979</b>             | <b>100.00</b> | <b>1,26,55,200</b>         | <b>100.00</b> |



- a) **Market Price Movement:** The details of monthly high and low market price of equity shares at the stock exchange, Mumbai are as given below:

| Month           | Highest (Rs.) | Lowest (Rs.) | Month        | Highest (Rs.) | Lowest (Rs.) |
|-----------------|---------------|--------------|--------------|---------------|--------------|
| April, 2017     | 0.85          | 0.48         | October '17  | -             | -            |
| May, 2017       | 0.48          | 0.40         | November '17 | 1.15          | 1.00         |
| June, 2017      | -             | -            | December '17 | 1.79          | 1.20         |
| July, 2017      | -             | -            | January '18  | 2.25          | 1.87         |
| August, 2017    | -             | -            | February '18 | 2.45          | 2.36         |
| September, 2017 | -             | -            | March '18    | 2.45          | 2.45         |

- b) **Shareholding Pattern as on 31<sup>st</sup> March 2018**

| Sl no | Category   | No. Of shares      | % of shareholding |
|-------|--|--------------------|-------------------|
| 1     | Promoters  | 61,61,400          | 48.69             |
| 2     | Mutual funds and UTI                                     | 5,900              | 0.05              |
| 3     | Banks, Financial Institution, Insurance companies, FII's | 3,400              | 0.02              |
| 4     | Private Corporate Bodies                                 | 3,68,963           | 2.92              |
| 5     | Indian Public  | 58,33,054          | 46.09             |
| 6     | NRIs/OCBs  | 2,82,483           | 2.23              |
| 7     | Clearing Members   | -                  | -                 |
|       | <b>Total</b>   | <b>1,26,55,200</b> | <b>100.00</b>     |

- c) Outstanding ADRs/GDRs/Equity shares or any convertible instruments, conversion date and likely impact on equity: **Not Applicable**
- d) **Our address for Correspondence:** Plot No. 31 P & 32, 3<sup>rd</sup> Floor, Tower A, Ramky Selenium, Financial District, Nanakramguda, Hyderabad-500032, Telangana, India and email to: [frontier@fitlindia.com](mailto:frontier@fitlindia.com) by quoting their DP Id or Folio Number.

- e) **Reconciliation of Share Capital Audit**

The Company gets the Reconciliation of share capital Audit done by a Practicing Company Secretary for the purpose of reconciliation of the total admitted capital with both the depositories and the total issued and listed capital. The Reconciliation of Share Capital Audit Report placed before the Board of Directors on a quarterly basis is also sent to the Stock Exchanges where the company's shares are listed.

## **f) Share Transfer System / Dividend and Other Related Matters**

### **Share transfers**

Share transfers in physical form are processed and the share certificates are generally returned to the transferees within a period of fifteen days from the date of receipt of transfer provided the transfer documents lodged with the Company are complete in all respects.

### **Nomination facility for shareholding**

As per the provisions of the Companies Act, 2013, facility for making nomination is available for Members in respect of shares held by them. Members holding shares in physical form may obtain nomination form, from the Share Department of the Company or download the same from the Company's website. Members holding shares in dematerialized form should contact their Depository Participants (DP) in this regard.

### **Permanent Account Number (PAN)**

Members who hold shares in physical form are advised that SEBI has made it mandatory that a copy of the PAN card of the transferee/s, members, surviving joint holders / legal heirs be furnished to the Company while obtaining the services of transfer, transposition, transmission and issue of duplicate share certificates.

### **Company's policy on prevention of insider trading**

Pursuant to the requirements of SEBI (Prohibition of Insider Trading) Regulations, 1992, as amended, the company had framed a Code of Conduct for prevention of Insider trading. The code is applicable to all such employees of the company who are expected to have access to the unpublished price sensitive information relating to the company and the same is being implemented as a self regulatory mechanism.

**CERTIFICATION BY WHOLETIME DIRECTOR**

I, Vuppuluri Sreedevi, Wholetime Director of Frontier Informatics Limited, certify that:

1. I have reviewed the financial statements for the year and that to the best of our knowledge and belief:
  - a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. these statements present a true and fair view of the state of affairs of the company and of the results of operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including accounting standards, applicable laws and regulations. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violate of the company's code of conduct.
3. I accept overall responsibility for establishing and monitoring the company's internal control system for financial reporting and evaluating its effectiveness. Internal audit function monitors the internal control system for financial reporting, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal audit works with all levels of management and statutory auditors, and report significant issues to the Audit Committee of the Board. The auditors and audit committee are appraised of significant deficiencies and material weaknesses in the internal control system and any corrective action taken or proposed to rectify these deficiencies.
4. I indicate to the auditors and to the audit committee:
  - a) Significant changes in internal control over financial reporting during the year;
  - b) Significant changes in accounting policies during the year;
  - c) Instances of significant fraud of which we have become aware of and which involve management or other employees who have significant role in the company's internal control system over financial reporting. However, there was no such instance.

Sd/-  
Vuppuluri. Sreedevi  
Wholetime Director  
DIN : 02448540



**CERTIFICATE OF COMPLIANCE WITH THE CODE OF CONDUCT**

To  
The Shareholders

I hereby declare that all the Board members and Senior Management Personnel have affirmed compliance with the code of conduct adopted by the Company and have submitted declarations in this behalf for the year ended 31<sup>st</sup> March, 2018

Place: Hyderabad  
Date: 05.09.2018

Sd/-  
Vuppuluri. Sreedevi  
Wholetime Director  
DIN : 02448540

**WHOLETIME DIRECTOR CERTIFICATE ON CORPORATE GOVERNANCE AS PER THE LISTING AGREEMENT**

1. I, Vuppuluri Sreedevi, Wholetime Director of the Company, hereby certify that:
  - a. I have reviewed financial statements including the cash flow statement for the year 2017-18 prepared by the Management and that to the best of my knowledge and belief.
    - 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. To the best of my knowledge and belief, no transactions have been entered into by the Company during the year, which are fraudulent, illegal or volatile of the Company's code of conduct.
  - c. I accept responsibility for establishing and maintaining internal controls and that I have evaluated the effectiveness of the internal control systems of the company and I have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which, I am aware and the steps I have taken or propose to take to rectify these deficiencies.
  - d. I have indicated to the auditors and the Audit Committee.
    - i) significant changes in internal control during the year'
    - ii) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
    - iii) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

Place: Hyderabad  
Date: 05.09.2018

Sd/-  
Vuppuluri Sreedevi  
Wholetime Director

**Independent Auditors' Report**

To  
The Members,  
**Frontier Informatics Limited,**  
**(Formerly Frontier Information Technologies Limited)**  
**HYDERABAD.**

**1. Report on IND AS Financial Statements**

We have audited the accompanying IND AS Financial Statements of **Frontier Informatics Limited ("the Company")**, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards specified in the Companies (Indian Accounting Standards) Rules, 2015, under Section 133A of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**3. Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

In conducting 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 and the order issued under section 143(11) of the act.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the 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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

#### **4. Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements together with the schedules attached and read with the Accounting principles, including IND As 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 31<sup>st</sup> March 2018 and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended as on that date.

#### **5. Other Matter**

The comparative financial information of the company for the year ended 31<sup>st</sup> march, 2017 is based on the previously issued statutory financial statements prepared in accordance with the companies ( Accounting standards rule,2006) audited by the predecessor auditor whose report for the year ended 31<sup>st</sup> march, 2017 dated 30.04.2017 expressed an unmodified opinion on those financial statements as adjusted for the differences in the accounting principles adopted by the company on transition to Ind AS, which have been audited by us. These adjustments reconcile the net profit for the year ended, 31<sup>st</sup> march, and 2017 under the previously applicable generally accepted accounting principles with the total comprehensive total income as reported in the financial results under the Ind AS. Our report is not modified in respect of this matter

#### **6. Reporting under other Legal and Regulatory Authorities**

As required by the Companies (Auditor's Report) Order, 2016 ('the order') issued by the Central Government of the India in terms of section 143 (11) of the Companies Act,2013, we enclose in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the said order, to the extent applicable to the company.

As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

- b. In our opinion, proper books of account as required by law have been kept by the Company, so far as it appears from our examination of those books;
- c. In our opinion the balance Sheet and Statement of Profit and Loss including other comprehensive income, Cash Flow Statement and the Statement on Changes in Equity, dealt with by this report are in agreement with the books of account.
- d. In our opinion, the afore said Ind AS Financial Statements comply with Accounting Standards specified under Section 133 of the Act, read with the read with Rule 7 of the Companies (Accounts) Rules, 2015, as amended.
- e. On the Basis of the written representation received from the directors as on 31<sup>st</sup> March, 2018, taken on record by the board of directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2018, from being appointed as director in terms of Section 164(2) of the Act.
- f. In our opinion, with respect to the adequacy of internal financial controls over financial reporting of the company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'. Our report expresses an unmodified opinion on the adequacy and operative effectiveness of the company's internal financial controls over Financial Reporting.
- g. With respect to other matters to be included in Auditor's Report in accordance with Rule 11 of Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The company has no pending litigations which will impact its financial position in its financial statements.
  - ii. The company has no material foreseeable losses on long term contracts including derivate contracts.
  - iii. The transfer of amount to the Investor Education and Protection Fund is not applicable to the company.

For Niranjana & Narayan  
Chartered Accountants  
Firm No: 005899S

Place: Hyderabad,  
Date: 30<sup>th</sup> May, 2018

M.Niranjana  
Partner - M.No: 029552



**ANNEXURE 'A' TO INDEPENDENT AUDITOR'S REPORT**Ref: **FRONTIER INFORMATICS LIMITED**

(Referred to in paragraph 1 UNDER 'Report on Other Legal and Regulatory Requirements' section of our report on the financial statements of even date.)

1. a. The company has maintained proper records showing full particulars, Including quantitative details and situation of fixed assets.
- b. The company has a regular program of physical verification of its fixed assets which, in our opinion, is reasonable having regard to the size of the company and nature of its assets And according to the information and explanations given to us, no material discrepancies were identified on such verification.
- c. The Company does not have any immoveable properties.
2. The company is engaged in software services and does not have any inventory..
3. The Company has not granted any loans, secured or unsecured to Companies, firms, Limited liability partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013('The Act') . Accordingly, clauses 3(iii) (a) to (c) of the Order are not applicable to the Company.
4. In our opinion and according to the information and explanations given to us during the year the company does not have any Loans, investments, guarantees and security requiring compliance of provisions of section 185 and 186 of companies act,2013.Thus paragraph 3(iv) is not applicable to the company.
5. During the year the Company has not accepted any deposits from the public within the meaning of section 73 to 76 of the Companies Act, 2013 and the rules framed there under. Thus paragraph 3(v) is not applicable to the company
6. The company is not required to maintain cost records under section 148 (1) of the Companies Act, 2013, for any of the activities of the Company. Thus paragraph 3(vi) is not applicable to the company
7. a. According to the information and explanations given to us, and on the basis of our examination of the books of account, the Company has been regular in depositing with appropriate authorities undisputed statutory dues including Service Tax, Excise Duty, Provident Fund, ESI and Income Tax Deducted at Source, Sales Tax, Goods and Service Tax, Duty of Customs, Value Added Tax, Cess and any other material statutory dues applicable to it.

According to the information and explanations given to us, details of disputed Income Tax and Sales tax which have not been deposited as on 31st March, 2018 on account of any dispute are given below:

| Name of Statute      | Nature of dues           | Amount (Rs. in Lakhs) | Period to which the amount relates (Financial Year) | Forum where dispute is pending |
|----------------------|--------------------------|-----------------------|---|--------------------------------|
| Income Tax Act, 1961 | Income Tax               | 12.74                 | 2000-01   | DCIT 1(2)                      |
| Income Tax Act, 1961 | Income Tax               | 19.42                 | 2001-02   | DCIT 1(2)                      |
| Income Tax Act, 1961 | Interest<br>Dividend Tax | 10.91                 | 1999-2000   | DCIT 1(2)                      |

Pending rectifications and appeals the company classified the above amounts as contingent liabilities and disclosed the same in note no 4 to Financial Statements "Notes to Accounts".

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks, government. The company has never issued any debentures. The company has not obtained any loan from financial institutions, banks, government.
8. 9. The company has not raised any funds through Initial Public Offer or further public offer (including debt instruments) or by way of term loans during the year. According to the information and explanations given to us and on the basis of our examination of the books of account, the Accordingly Thus paragraph 3(ix) is not applicable to the company
10. According to the information and explanations given to us, no material fraud on or by the Company or by its officers or employees has been noticed or reported during the year during the course of our audit
11. The company did not make any payment towards Managerial Remuneration during the year. Accordingly paragraph 3(xi) is not applicable to the company
12. In our opinion and according to the information and explanations given to us, the company is not a Nidhi Company. Accordingly paragraph 3(xii) is not applicable to the company
13. According to the information and explanations given to us and on the basis of our examination of the books of account, all transaction with related parties are in compliance with the provisions of sections 177 and 188 of the Act and are appropriately disclosed in the Financial statements of the company as required by the applicable Ind Accounting standards

14. During the year the company made preferential allotment of 60,00,000 equity shares of Rs 1/- each amounting to Rs 60,00,000/- on 20<sup>th</sup> March, 2018 and utilized part of the amount as stated in the objects for the issue, towards its working capital requirements. Further the unutilized amount of Rs 50, 00,000/- is remaining in the bank account as on 31<sup>st</sup> March 2018.
  
15. According to the information and explanations given to us and on the basis of our examination of the books of account, the Company did not enter into any non cash transactions with Directors or persons connected with Directors. Accordingly paragraph 3(xv) is not applicable to the company
  
16. The Company is not required to register U/s 45-IA of the RBI Act, 1934. Accordingly the provisions of clause 3(xvi) of the order do not apply to the company.

For **Niranjan & Narayan**  
**Chartered Accountants**  
**FRN: 005899S**

Place: Hyderabad  
Date: 30<sup>th</sup> May, 2018.

**M.Niranjan**  
**Partner Memb. No.: 029552**

### ANNEXURE 'B' TO INDEPENDENT AUDITOR'S REPORT

Ref: **FRONTIER INFORMATICS LIMITED**

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' of our report of even date.)

#### **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 FRONTIER INFORMATICS LIMITED ("the Company") as of 31 March 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and

efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI 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**

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

For Niranjan & Narayan  
Chartered Accountants  
FRN: 005899S

Place: Hyderabad,  
Date: 30th May, 2018

M.Niranjan  
Partner Memb. No.: 029552

**FRONTIER INFORMATICS LIMITED**

CIN : L72200TG1986PLC006644

Plot No 31P and 32, 3<sup>rd</sup> Floor, Tower A, Ramky Selenium, Financial District,  
Nanakramguda, Hyderabad

**BALANCE SHEET AS AT 31st March, 2018**

(Amount in Rupees)

| PARTICULARS                            | NOTE | As at 31.03.18   | As at 31.03.17   | As at 31.03.16   |
|--|------|------------------|------------------|------------------|
| <b><u>ASSETS</u></b>                   |      |                  |                  |                  |
| <b>1 Non-current Assets</b>            |      |                  |                  |                  |
| <b>a) Non Financial Assets</b>         |      |                  |                  |                  |
| i) Property Plant & Equipment          | 4    | 1,050,833        | 1,134,312        | 1,209,553        |
| ii) Capital Work in Progress           | 5    | -                | -                | -                |
| <b>b) Financial Assets</b>             |      |                  |                  |                  |
| <b>Current Assets</b>                  |      |                  |                  |                  |
| <b>6</b>                               |      |                  |                  |                  |
| <b>2 Current Assets</b>                |      |                  |                  |                  |
| <b>a) Financial Assets</b>             |      |                  |                  |                  |
| i) Trade Receivables                   | 7    | -                | -                | 151,417          |
| ii) Cash and Cash Equivalents          | 8    | 5,443,908        | 43,185           | 546,479          |
| iii) Short Term loans & Advnaces       | 9    | 2,685,572        | 3,088,547        | 3,446,828        |
| <b>b) Other Current Assets</b>         |      |                  |                  |                  |
| <b>10</b>                              |      |                  |                  |                  |
| <b>Total Assets</b>                    |      | <b>9,180,313</b> | <b>4,266,044</b> | <b>5,354,277</b> |
| <b><u>EQUITY &amp; LIABILITIES</u></b> |      |                  |                  |                  |
| <b>1 Equity</b>                        |      |                  |                  |                  |
| a) Equity Share Capital                | 11   | 12,655,200       | 6,655,200        | 133,104,000      |
| b) Other Equity                        |      |                  |                  |                  |
| Reserves and Surplus                   | 12   | (30,477,439)     | (27,314,534)     | (151,749,948)    |
| <b>2 Liabilities</b>                   |      |                  |                  |                  |
| <b>A) Non Current Liabilities</b>      |      |                  |                  |                  |
| <b>i) Long Term Borrowings</b>         |      |                  |                  |                  |
| <b>13</b>                              |      |                  |                  |                  |
| <b>ii) Other Long Term Liabilities</b> |      |                  |                  |                  |
| <b>14</b>                              |      |                  |                  |                  |
| <b>B) Current Liabilities</b>          |      |                  |                  |                  |
| <b>a) Financial Liabilities</b>        |      |                  |                  |                  |
| <b>i) Short Term Borrowings</b>        |      |                  |                  |                  |
| <b>15</b>                              |      |                  |                  |                  |
| ii) Trade Payables                     | 16   | 26,409,181       | 23,772,681       | 22,877,427       |
| <b>16</b>                              |      |                  |                  |                  |
| <b>b) Other Current Liabilities</b>    |      |                  |                  |                  |
| <b>17</b>                              |      |                  |                  |                  |
| c) Short term Provisions               | 18   | 42,786           | 578,303          | 596,393          |
| <b>18</b>                              |      |                  |                  |                  |
| <b>TOTAL :</b>                         |      | <b>9,180,313</b> | <b>4,266,044</b> | <b>5,354,277</b> |

For Niranjan & Narayan  
Chartered Accountants  
Firm No : 005899s

For and on behalf of the Board  
Frontier Informatics Limited

M.Niranjan  
Partner  
M.No : 029552

V Sreedevi  
Wholetime Director

Archana Singh  
Director

Place : Hyderabad  
Date : 30-05-2018

M.Rajan Babu  
Director

**FRONTIER INFORMATICS LIMITED**  
CIN : L72200TG1986PLC006644

Plot No 31P and 32, 3rd Floor, Tower A, Ramky Selenium, Financial District, Nanakramguda, Hyderabad

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st March, 2018**  
(Amount in Rupees)

| PARTICULARS  | Schedule | As at 31.03.18 | As at 31.03.17 |
|--|----------|----------------|----------------|
| <b>A CONTINUING OPERATIONS</b>                                       |          |                |                |
| 1 Revenue from Operations  | 20       | 305,170        | 341,974        |
| 2 Other Income   | 21       | 167,264        | 165            |
| Total  |          | 472,434        | 342,139        |
| <b>EXPENSES</b>  |          |                |                |
| 3 Salaries and Allowances  | 22       | 640,600        | 481,333        |
| 4 Financial Charges  | 23       | 450,000        | -              |
| 5 Depreciation & Amortisation  |          | 83,479         | 75,243         |
| 6 Other Expenses   | 24       | 2,461,260      | 1,798,949      |
| Total  |          | 3,635,339      | 2,355,525      |
| 7 Profit/Loss before Extraordinary Items                             |          | (3,162,905)    | (2,013,386)    |
| 8 Exceptional/Extraordinary Items                                    | 25       | -              | -              |
| 9 Profit / Loss Before Tax   |          | -              | -              |
| # Tax Expense & Provision  | 26       | -              | -              |
| # Profit/Loss from Continuing Operations                             |          | (3,162,905)    | (2,013,386)    |
| # Profit/Loss from Discontinuing Operations                          |          | -              | -              |
| # Profit / Loss for the Year   |          | (3,162,905)    | (2,013,386)    |
| # Earnings per Share of Rs 10/- each                                 |          |                |                |
| a) Basic   |          | -              | -              |
| i) Continuing Operations   |          | (3,162,905)    | (2,013,386)    |
| ii) Total Operations   |          | (3,162,905)    | (2,013,386)    |
| # Earnings Per share (Excluding Extraordinary Items) of Rs 10/- each |          |                |                |
| a) Basic   |          |                |                |
| i) Continuing Operations   |          | (0.25)         | (0.30)         |
| ii) Total Operations   |          | (0.25)         | (0.30)         |

See accompanying Notes forming part of Accounts

Vide our report of even date annexed

**For Niranjn & Narayan**  
**Chartered Accountants**  
Firm No : 005899s

**For and on behalf of the Board**  
**Frontier Informatics Limited**

**M.Niranjn**  
Partner  
M.No : 029552

**V.Sreedevi**      **Archana Singh**  
Wholetime Director      Director

Place : Hyderabad  
Date : 30-05-2018

**M.Rajan Babu**  
Director

| <b>FRONTIER INFORMATICS LIMITED</b>   |                                       |                |
|---|---------------------------------------|----------------|
| <b>CASH FLOW STATEMENT PURSUANT TO THE CLAUSE 32 OF LISTING AGREEMENT</b>   |                                       |                |
| Rs. in Lakhs  |                                       |                |
| Particulars   | Mar 2018                              | Mar 2017       |
| <b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>   |                                       |                |
| Net Loss as per Profit & Loss account   | (31.63)                               | (20.13)        |
| Less: Depreciation & Impairments  | 0.83                                  | 0.75           |
| Less: Writeoffs   | -                                     | -              |
| Less: Bad debts written off   | -                                     | 4.03           |
| Add: Profit on sale of investments  | -                                     | -              |
| <b>Operating Profit/(Loss) before Working Capital Changes</b>   | <b>(30.79)</b>                        | <b>(15.35)</b> |
| <b>Changes in Working Capital</b>   |                                       |                |
| Increase/(decrease) in operating assets   |                                       |                |
| Trade Receivables   | -                                     | 2.51           |
| Short Term Loans & Advances   | (4.03)                                | (3.58)         |
|   | <u>(4.03)</u>                         | <u>(1.07)</u>  |
| Increase/(decrease) in operating Liabilities  |                                       |                |
| Short Term Borrowings   | 26.38                                 | 8.95           |
| Trade Payables  | 0.43                                  | -              |
| Other Current Liabilities   | (4.36)                                | (0.18)         |
| Short term Provisions   | (1.66)                                | 0.48           |
|   | <u>20.78</u>                          | <u>9.25</u>    |
| Cash Flow from Working Capital Changes  | 24.81                                 | 10.32          |
| Cash from Extraordinary Items   | -                                     | -              |
| Cash Generated from Operations  | 24.81                                 | 10.32          |
| Net Income tax paid/refunds   | -                                     | 24.81          |
|   | <u>(5.98)</u>                         | <u>(5.03)</u>  |
| <b>Net Cash flow from Operating Activities</b>  |                                       |                |
| <b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>   |                                       |                |
| Additions to Fixed Assets   | -                                     | -              |
| Decrease in Fixed Assets  | -                                     | -              |
| Sale of Investments etc   | -                                     | -              |
| Increase in Paid up Capital   | 60.00                                 | 60.00          |
| Net Cash from Investing Activities  | 54.02                                 | (5.03)         |
| <b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>   |                                       |                |
| Increase in Short Term Borrowings   | -                                     | -              |
| Increase in Long term Borrowings  | -                                     | -              |
| Net cash generated in financing activities  | -                                     | -              |
| <b>D. NET INCREASE/DECREASE IN CASH AND CASH EQUIVALENTS</b>  | <b>54.02</b>                          | <b>(5.03)</b>  |
| <b>E. CASH AND CASH EQUIVALENTS - OPENING BAL</b>   | <b>0.43</b>                           | <b>5.46</b>    |
| <b>F. CASH AND CASH EQUIVALENTS - CLOSING BAL</b>   | <b>54.44</b>                          | <b>0.43</b>    |
| For and on behalf of the Board  |                                       |                |
| V.Sreedevi  |                                       | Archana Singh  |
| Wholtime Director   |                                       | Director       |
| (M.Rajan Babu)  |                                       |                |
| Director  |                                       |                |
| We have examined the attached Cash Flow Statement of Frontier Information Technologies Limited for the year ended March 31, 2018. The Statement has been prepared by the Company in accordance with the requirements of Clause 32 of Listing Agreements with the Stock Exchanges and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our Report of even date to the Members of the Company. |                                       |                |
| for Nirnajan & Narayan<br>Chartered Accountants<br>Firm No : 005899s  |                                       |                |
| Place:Hyderabad   |                                       |                |
| Date : 30-05-2018   | M.Niranjan<br>Partner ; M.No : 029552 |                |



**FRONTIER INFORMATICS LIMITED**  
CIN : L72200TG1986PLC006644

Plot No 31P and 32, 3<sup>rd</sup> Floor, Tower A, Ramky Selenium, Financial District,  
Nanakramguda, Hyderabad

**STATEMENT OF CHANGES IN EQUITY AS AT 31st March, 2018**

**A) Equity Share Capital**

|  |             |
|--|-------------|
| Balance as at 1st April, 2016              | 133,104,000 |
| Less : Reduction of Share Capital          | 126,448,800 |
| <hr/>                                      |             |
| Balance as at 1st April, 2017              | 6,655,200   |
| Add: Issue of 60,00,000 shares @ Re.1 each | 6,000,000   |
| Balance as at 31st March, 2018             | 1,26,55,200 |

**B) Other Equity**

|   | General Reserve | Capital Reserve | Securities Premium | Retained Earnings | Items or Other Comprehensive Income | Total         |
|---|-----------------|-----------------|--------------------|-------------------|-------------------------------------|---------------|
| Balance as on 1-4-2016  | 2,554,798       | 1,000,000       | 279,525,000        | (434,829,746)     | -                                   | (151,749,948) |
| Loss For the Year 2016-17   | -               | -               | -                  | (2,013,386)       | -                                   | (2,013,386)   |
| Other Comprehensive Income (Net of Tax for FY 2016-17)                  | -               | -               | -                  | -                 | -                                   | -             |
| Total Comprehensive as on 31.03.2017                                    | 2,554,798       | 1,000,000       | 279,525,000        | (436,843,132)     | -                                   | (153,763,334) |
| Transactions with owners in their capacity as owners directly in Equity |                 |                 |                    |                   |                                     |               |
| * Write off on account of Reduction of Capital                          | (2,554,798)     | -               | (279,525,000)      | 408,528,598       | -                                   | 126,448,800   |
| Balance as on 31.03.2017  | -               | 1,000,000       | -                  | (28,314,534)      | -                                   | (27,314,534)  |
| Loss For the Year 2017-18   | -               | -               | -                  | (3,162,905)       | -                                   | (3,162,905)   |
| Other Comprehensive Income (Net of Tax for FY 2017-18)                  | -               | -               | -                  | -                 | -                                   | -             |
| Total Comprehensive as on 31.03.2018                                    | -               | 1,000,000       | -                  | (31,477,439)      | -                                   | (30,477,439)  |
| Transactions with owners in their capacity as owners directly in Equity |                 |                 |                    |                   |                                     |               |
| Write on or Capital Reserve   | -               | (1,000,000)     | -                  | 1,000,000         | -                                   | -             |
| Balance as on 31.03.2018  | -               | -               | -                  | (30,477,439)      | -                                   | (30,477,439)  |

\* As per the Scheme of Reduction of Capital sanctioned by Honourable High Court of Andhra Pradesh and Telangana, the company has utilised the amount available in Paid Up capital to the extent of Rs 12,64,48,800/- and further to the extent of Rs 28,20,79,798/- available in General Reserve, and Securities Premium accounts towards Write off on account of Reduction of Capital

**FRONTIER INFORMATICS LIMITED(FIL)****Note 1 : CORPORATE INFORMATION**

Frontier Informatics Limited has been operating in the spears of Software Product Development, Training and Software Services since its incorporation in the year 1986. The company made its IPO in the year 1996 and is traded on BSE. The company achieved sizable operations during the years 1994 to 2004 , however the company had been incurring continuous losses thereafter, because of paucity of working capital resources and lack of business opportunities.

The company changed its name to **FRONTIER INFORMATICS LIMITED**, from its previous name of *Frontier Information Technologies Limited*, vided fresh Certificate issued by the Registrar of Companies, Hyderabad dated 14.10.2011.

**NOTE 2 : BASIS OF PREPARATION OF FINANCIAL STATEMENTS:****2.1 Statement of Compliance**

The financial statements of the company have been prepared in accordance with Indian Accounting Standards (IND AS) as per the Companies (Indian Accounting Standard) Rules 2015 notified under section 133 of Companies Act, 2013 (the Act) and other relevant provisions of the Act.

The Company's financial statements upto and for the year ended on 31<sup>st</sup> March, 2017 were prepared in accordance with the Companies (Accounting Standards) Rules 2006 notified under section 133 of the Companies Act, 2013 and other relevant provisions of the Act.

As these are the first financial statements prepared in accordance with Indian Accounting Standards (IND AS), Ind AS- 101, First-time Adoption of Indian Accounting Standards has been applied. However, there are no transactions or reporting requirements for showing the reconciliation for the transition.

The financial statements were authorized for issue by the Board of Directors on 30<sup>th</sup> May, 2018.

**2.2 Basis of measurement**

The financial statements have been prepared on the historical cost basis and there are no transactions to be reported at fair value or amortized cost.

**NOTE 3 : SIGNIFICANT ACCOUNTING POLICIES :****3.1 Use of Estimates:**

The preparation of financial statements in conformity with GAAP requires Management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the period. Examples of such estimates include provision for doubtful debts, future obligations under employee retirement benefit plans, income taxes, and the useful lives of fixed assets and intangible assets.

### 3.2 Revenue Recognition:

1. Software consultancy fee comprises of :
  - a) Services valued and invoiced on the basis of work completed and / or delivered
  - b) Annual maintenance charges invoiced as appropriated for the accounting period.
2. Professional services are taken into account on the basis of services rendered during the accounting period at the rate agreed upon.
3. Student training fee receipts are accounted on accrual basis.

### 3.3. Tangible fixed assets

Fixed assets are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are adjusted to the cost of the respective assets and depreciated over the remaining useful life of such assets. Subsequent expenditure relating to fixed assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Fixed assets acquired and put to use for project purpose are capitalized and depreciation thereon is included in the project cost till commissioning of the project.

#### Capital work-in progress:

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

### 3.4 Intangible assets

Intangible assets are carried at cost less accumulated amortization and impairment losses, if any. The cost of an intangible asset comprises its purchase price, including any import duties and other taxed (Other than those subsequently recoverable from the taxing authorities), and any directly attributable expenditure on making the asset ready for its intended use and net of any trade discounts and rebates. Subsequent expenditure on an intangible asset after its purchase / completion is recognized as an expense when incurred unless it is probable that such expenditure will enable the asset to generate future economic benefits in excess of its originally assessed standards of performance and such expenditure can be measured and attributed to the asset reliably in which case such expenditure is added to the cost of the asset.

### 3.5 Depreciation

- a) Depreciation on fixed assets located in India is provided based on the estimated use life of assets.
- b) Depreciation on software products is made based on the estimated useful life of the assets, which is taken as 6 Years.
- c) Fixed Assets are stated at cost less depreciation except for certain fixed assets which are carried at residue amounts to comply with the provisions of Companies act 2013.
- d) No Depreciation was provided for Software Products developed by the company whose life is more than 6 Years.

### **3.6 Foreign currency transactions and translations**

#### Initial recognition

Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

#### Measurement of foreign currency monetary items at the Balance sheet date

Foreign currency monetary items (other than derivative contracts) of the Company and its net investment in non-integral foreign operations outstanding at the Balance Sheet date are restated at the year-end rates.

In the case of integral operations, assets and liabilities (other than non-monetary items), are translated at the exchange rate prevailing on the Balance Sheet date. Non-monetary items are carried at historical cost. Revenue and expenses are translated at the average exchange rates prevailing during the year. Exchange differences arising out of these translations are charged to the Statement of Profit and Loss.

#### Treatment of exchange differences

Exchange difference arising on settlement / restatement of short-term foreign currency monetary assets and liabilities of the Company and its integral foreign operations are recognized as income or expense in the Statement of Profit and Loss. The exchange differences on restatement / settlement of loans to non-integral foreign operations that are considered as not investment in such operations are accumulated in a "Foreign currency translation reserve" until disposal / recovery of the net investment.

### **3.7 Segment reporting**

The Company identifies primary segments based on the dominant source nature of risks and returns and the internal organization and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit / loss amounts are evaluated regularly by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

### **3.8 Earnings per share**

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

### 3.9 Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in the accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax, accordingly, MAT is recognized as an asset in the Balance Sheet when it is probable that future economic benefit associated with will flow to the Company.

Deferred tax is recognized on timing differences, being the differences between the taxable income and the accounting income that originate in one period and is capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognized for all timing difference. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognized only if there is virtual certainty that there will be sufficient future taxable income available against which these can be realized. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their reliability. During the past 10 Years the company has been incurring losses and does not visualize any significant improvement in the performance of the company in the near future. In such back ground the company is conservative in determining any Deferred Tax assets.

### 3.10 Impairment of assets

The carrying values of assets/ cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognized, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriated discount factor. When there is indication that an impairment loss recognized for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognized in the Statement of Profit and Loss, except in case of revalued assets.

### 3.11 Provisions and contingencies

A provision is recognized when the Company has a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates. Contingent liabilities are disclosed in the Notes.

### 3.12 Investments

Investments are classified into current investments and long term Investments. Current investments are carried at the lower of cost or market value. Any reduction in carrying amount and any reversals of such reduction are charged or credited to the profit and loss account.

Long-term investments are carried at cost less provision made to recognize any decline, other than temporary, in the value of such investments. Current Investments are reflected under Current Assets and Long Term investments are reflected under Non-Current Assets.

**3.13 Valuation of WIP:**

Raw material, work-in-progress, components, stores and spares and packing materials are valued at cost. Finished goods are valued at cost or net realizable value whichever is less.

**3.14 Cash and cash equivalents (for purposes of Cash Flow Statement)**

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into know amounts of cash and which are subject to insignificant risk of changes in value.

**3.15 Cash flow statement**

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

**3.16 R & D Expenditure:**

Expenditure incurred on Research and Development of software tools and applications are written off in the year in which the expenditure is incurred. Assets used for research and development activities are included in fixed assets.

Vide our report of even date annexed  
For Niranjn & Narayan  
Chartered Accountants  
Firm No : 005899s

for and on behalf of Board

M.Niranjn  
Partner  
M.No : 029552

(VSreedevi) (Archana Singh)  
Wholetime Director Director

Place: Hyderabad  
Date: 30.05.2018

(M.Rajan Babu)  
Director

**FRONTIER INFORMATICS LIMITED**  
**CIN : L72200TG1986PLC006644**

Plot No 31P and 32, 3<sup>rd</sup> Floor, Tower A, Ramky Selenium, Financial District,  
 Nanakramguda, Hyderabad

**NOTE NO 4 : PROPERTY PLANT & EQUIPMENT**

| Particulars                       | Freehold |          | Plant & Equipment | Furniture & Fittings | Computers | Software products | Total     |
|-----------------------------------|----------|----------|-------------------|----------------------|-----------|-------------------|-----------|
|                                   | Land     | Building |                   |                      |           |                   |           |
| Gross Block (Cost or Deemed Cost) |          |          |                   |                      |           |                   |           |
| As on 1st April, 2016             | -        | -        | 260,234           | 144,369              | 135,966   | 6,132,818         | 6,673,387 |
| Additions                         | -        | -        | -                 | -                    | -         | -                 | -         |
| Disposals                         | -        | -        | -                 | -                    | -         | -                 | -         |
| Baalnce as on 31.03.2017          | -        | -        | 260,234           | 144,369              | 135,966   | 6,132,818         | 6,673,387 |
| Additions                         | -        | -        | -                 | -                    | -         | -                 | -         |
| Disposals                         | -        | -        | -                 | -                    | -         | -                 | -         |
| Baalnce as on 31.03.2018          | -        | -        | 260,234           | 144,369              | 135,966   | 6,132,818         | 6,673,387 |
| Depreciation & Impairment         |          |          |                   |                      |           |                   |           |
| As on 1st April, 2016             | -        | -        | 65,091            | 23,615               | 79,473    | 5,295,653         | 5,463,832 |
| Depreciation for the year         | -        | -        | 29,271            | 12,075               | 33,896    | -                 | 75,243    |
| Disposals                         | -        | -        | -                 | -                    | -         | -                 | -         |
| Baalnce as on 31.03.2017          | -        | -        | 94,362            | 35,690               | 113,369   | 5,295,653         | 5,539,075 |
| Depreciation for the year         | -        | -        | 52,047            | 14,437               | 16,996    | -                 | 83,479    |
| Disposals                         | -        | -        | -                 | -                    | -         | -                 | -         |
| Baalnce as on 31.03.2018          | -        | -        | 146,409           | 50,127               | 130,365   | 5,295,653         | 5,622,554 |
| NET BLOCK                         |          |          |                   |                      |           |                   |           |
| As On 1st April 2016              | -        | -        | 195,143           | 120,754              | 56,493    | 837,165           | 1,209,553 |
| As on 31st March, 2017            | -        | -        | 165,872           | 108,679              | 22,597    | 837,165           | 1,134,312 |
| As on 31st March 2018             | -        | -        | 113,825           | 94,242               | 5,601     | 837,165           | 1,050,833 |

|  | (Amount in Rupees) |                  |                  |
|--|--------------------|------------------|------------------|
|  | As at 31.03.18     | As at 31.03.17   | As at 31.03.16   |
| <b>NOTE 5 : CAPITAL WORK IN PROGRESS</b>   | -                  | -                | -                |
| <b>TOTAL</b>   | -                  | -                | -                |
| <b>NOTE 6 : NON CURRENT INVESTMENTS</b>  |                    |                  |                  |
| a) Investments in Bonds  | -                  | -                | -                |
| b) Investments in Equity (at Cost)   | -                  | -                | -                |
| <b>TOTAL</b>   | -                  | -                | -                |
| <b>NOTE 7 : TRADE RECEIVABLES</b>  |                    |                  |                  |
| a Outstanding for a period exceeding Six Months from the date they are due for payment | -                  | -                | -                |
| b Outstanding for period NOT exceeding Six Mont  | -                  | -                | 151,417          |
| <b>TOTAL</b>   | -                  | -                | 151,417          |
| <b>NOTE 8 : CASH &amp; CASH EQUIVALENTS</b>  |                    |                  |                  |
| Cash on Hand   | 371                | 11,976           | 16,522           |
| Balances with Scheduled Banks:   |                    |                  |                  |
| - in Current Accounts  | 5,443,537          | 18,701           | 517,449          |
| - in Fixed Deposit Account   | -                  | 12,508           | 12,508           |
| Balances with Non-Scheduled Banks:   |                    |                  |                  |
| - in Bank of America   | -                  | -                | -                |
| <b>TOTAL</b>   | <b>5,443,908</b>   | <b>43,185</b>    | <b>546,479</b>   |
| <b>NOTE 9 : SHORT TERM LOANS &amp; ADVANCES</b>  |                    |                  |                  |
| a) Loans & Advances  | -                  | -                | 356,108          |
| b) Secuirty Deposits   | -                  | -                | -                |
| c) Loans to Employees  | -                  | -                | -                |
| d) Prepaid Expenses  | -                  | -                | -                |
| e) Balances with Govt Authorities  | 2,619,913          | 2,695,999        | 2,698,172        |
| f) Inter Corporate Deposits  | -                  | -                | -                |
| g) Other loans & Advnaces  | 65,659             | 392,548          | 392,548          |
| <b>TOTAL</b>   | <b>2,685,572</b>   | <b>3,088,547</b> | <b>3,446,828</b> |
| <b>NOTE 10. : OTHER NON CURRENT ASSETS</b>   |                    |                  |                  |
| a) Long Term Trade Receivables   | -                  | -                | -                |
| b) Unamortised Expenses  | -                  | -                | -                |
| c) Accruals  | -                  | -                | -                |
| d) Others  | -                  | -                | -                |
| <b>TOTAL</b>   | -                  | -                | -                |



**NOTES FORMING PART OF THE FINANCIAL STATEMENTS****NOTE 11 : SHARE CAPITAL**

| Particulars   | As at 31.03.18 | As at 31.03.17 | As at 31.03.16 |
|---|----------------|----------------|----------------|
| <b>Authorised :</b>   |                |                |                |
| 18,00,00,000 Equity Shares of Rs.1/- each with voting rights<br>( For the FY 2015-16 1,80,00,000 Equity Shares of Rs 10/- each) | 180,000,000    | 180,000,000    | 180,000,000    |

**Issued, Subscribed and Paid up :**

|  |                   |                  |                    |
|--|-------------------|------------------|--------------------|
| 1,26,55,200 Equity Shares of Rs.1 each with voting rights<br>(FY 2016-17 : 66,55,200 Equity Shares of Rs.1 each with voting rights)<br>(FY 2015-16 : 1,33,10,400 Equity Shares of Rs.10/- each with voting rights) | 12,655,200        | 6,655,200        | 133,104,000        |
| <b>TOTAL</b>   | <b>12,655,200</b> | <b>6,655,200</b> | <b>133,104,000</b> |

**i) Changes in Capital Structure**

|   |                   |                  |                    |
|---|-------------------|------------------|--------------------|
| <b>Paid Up Capital</b>  |                   |                  |                    |
| <b>Opening Balance</b>  | 6,655,200         | 133,104,000      | 133,104,000        |
| Less Additions/Deletions  |                   |                  |                    |
| FY 2016-17 Reduction of Capital   |                   | 126,448,800      | -                  |
| FY 2017-18 Preferential Allotment of 60,00,000 Equity Shares of Rs 1/- each | 6,000,000         | -                | -                  |
| <b>Closing Balance</b>  | <b>12,655,200</b> | <b>6,655,200</b> | <b>133,104,000</b> |

\*As per the Scheme of Reduction of Capital sanctioned by Honourable High Court of Andhra Pradesh and Telangana, the company has utilised the amount available in Paid Up capital to the extent of Rs 12,64,48,800/- . Further As part of the scheme the authorised capital also was converted to 18,00,00,000 Equity Shares of Rs 1/- each (Previously 1,80,00,000 Equity shares of Rs 10/- each)

**ii) details of share holders Holding more than 5% of the Equity**

| Name of Share Holder     | No of shares/ %  | As at 31.03.18 | As at 31.03.17 | As at 31.03.16 |
|--------------------------|------------------|----------------|----------------|----------------|
| Ramarao Achuta Mullapudi | 6,000,125        | 47.41          | -              | -              |
| <b>TOTAL</b>             | <b>6,000,125</b> | <b>47.41</b>   | <b>-</b>       | <b>-</b>       |

**iii) No part of the share capital is issued for consideration other than cash or by way of Bonus Shares**

**NOTE 12 : RESERVES & SURPLUS**

| Particulars                               | As at 31.03.18      | As at 31.03.17      | As at 31.03.16       |
|---|---------------------|---------------------|----------------------|
| a) Capital Reserves : Opening             | 1,000,000           | 1,000,000           | 1,000,000            |
| Deletion on A/c of Reduction              | 1,000,000           | -                   | -                    |
| Closing                                   | -                   | 1,000,000           | 1,000,000            |
| b) General Reserve : Opening/Closing      | -                   | 2,554,798           | 2,554,798            |
| Deletion on A/c of Reduction              | -                   | 2,554,798           | -                    |
| Closing                                   | -                   | -                   | 2,554,798            |
| c) Share Premium : Opening/Closing        | -                   | 279,525,000         | 279,525,000          |
| Deletion on A/c of Reduction              | -                   | 279,525,000         | -                    |
| Closing                                   | -                   | -                   | 279,525,000          |
| d) Profit & Loss Account                  |                     |                     |                      |
| Opening Balance                           | (28,314,534)        | (434,829,746)       | (430,006,575)        |
| Less : W/off Against Reduction of Capital | -                   | 408,528,598         | -                    |
| Add : Addition during the year            | (3,162,905)         | (2,013,386)         | (4,823,171)          |
| Closing Balance                           | (31,477,439)        | (28,314,534)        | (434,829,746)        |
| <b>TOTAL</b>                              | <b>(30,477,439)</b> | <b>(27,314,534)</b> | <b>(151,749,948)</b> |

**NOTE 13 : LONG TERM BORROWINGS**

|              |   |   |   |
|--------------|---|---|---|
| <b>TOTAL</b> | - | - | - |
|--------------|---|---|---|

**NOTE 14 : OTHER LONG TERM LIABILITIES**

|              |   |   |   |
|--------------|---|---|---|
| <b>TOTAL</b> | - | - | - |
|--------------|---|---|---|

**NOTE 15 : SHORT TERM BORROWINGS**

|                               |                   |                   |                   |
|-------------------------------|-------------------|-------------------|-------------------|
| a) Loans Repayable on demand  |                   |                   |                   |
| From Banks                    | -                 | -                 | -                 |
| From others -- Unsecured      | 17,636,200        | 16,539,700        | 15,539,700        |
| b) Loans from Related Parties |                   |                   |                   |
| Refer note No ( 29.7 )        | 7,040,000         | 5,500,000         | 5,604,746         |
|                               | <b>24,676,200</b> | <b>22,039,700</b> | <b>21,144,446</b> |
| c) Deposits                   | -                 | -                 | -                 |
| d) Other loans & advances     | 1,732,981         | 1,732,981         | 1,732,981         |
| <b>TOTAL</b>                  | <b>26,409,181</b> | <b>23,772,681</b> | <b>22,877,427</b> |

**NOTE 16 : TRADE PAYABLES**

|                           |               |          |          |
|---------------------------|---------------|----------|----------|
| a) Acceptances            | -             | -        | -        |
| b) Other than Acceptances | 42,786        | -        | -        |
| <b>TOTAL</b>              | <b>42,786</b> | <b>-</b> | <b>-</b> |

**NOTE 17 : OTHER CURRENT LIABILITIES**

|   |                |                |                |
|---|----------------|----------------|----------------|
| a) Current maturities of Long Term Debt | -              | -              | -              |
| b) Application Money Received           | -              | -              | -              |
| c) Statutory Liabilities                | 77,981         | 578,303        | 596,393        |
| d) Trade Security Deposits Received     | -              | -              | -              |
| e) Other Liabilities                    | 64,655         | -              | -              |
| <b>TOTAL</b>                            | <b>142,636</b> | <b>578,303</b> | <b>596,393</b> |

**NOTE 18 : SHORT TERM PROVISIONS**

|                                    |                |                |                |
|------------------------------------|----------------|----------------|----------------|
| a) Provision for Employee benefits | -              | 235,933        | 235,933        |
| b) Provision for Tax               | -              | -              | -              |
| c) Provision for Dividend          | -              | -              | -              |
| d) Provision for other Expenses    | 407,949        | 338,461        | 290,472        |
| <b>TOTAL</b>                       | <b>407,949</b> | <b>574,394</b> | <b>526,405</b> |

|   | As at 31.03.18   | As at 31.03.17   |
|---|------------------|------------------|
| <b>NOTE 20 : REVENUE FROM OPERATIONS</b>  |                  |                  |
| a) Sale of Products                       | -                | -                |
| b) Sale of Services-Domestic              | 305,170          | 341,974          |
| c) Sale of Services-Export                | -                | -                |
| d) Other Operating Income                 | -                | -                |
| <b>TOTAL</b>                              | <b>305,170</b>   | <b>341,974</b>   |
| <b>NOTE 21 : OTHER INCOME</b>             |                  |                  |
| a) Interest Income /Dividend Income       | 16,540           | 165              |
| b) Net Gain on Sale of Investments        | -                | -                |
| c) Net Prior Period Items                 | -                | -                |
| d) Other Income(Write Backs)              | 150,724          | -                |
| <b>TOTAL</b>                              | <b>167,264</b>   | <b>165</b>       |
| <b>NOTE 22 :SALARIES &amp; ALLOWANCES</b> |                  |                  |
| a) Salaries & Allowances                  | 640,600          | 481,333          |
| b) Contribution to PF & Other Funds       | -                | -                |
| c) Staff Welfare Expenses                 | -                | -                |
| <b>TOTAL</b>                              | <b>640,600</b>   | <b>481,333</b>   |
| <b>NOTE 23 : FINANCIAL CHARGES</b>        |                  |                  |
| a) Interest Expense on                    |                  |                  |
| i) Borrowings                             | 450,000          | -                |
| ii) Trade Payables                        | -                | -                |
| iii) Other Borrowing Costs                | -                | -                |
| <b>TOTAL</b>                              | <b>450,000</b>   | <b>-</b>         |
| <b>NOTE 24 : OTHER EXPENSES</b>           |                  |                  |
| Rent Charges                              | 168,000          | 168,000          |
| Travelling & Conveyance                   | -                | 40,266           |
| Paper Publication Charges                 | 156,222          | 112,580          |
| Printing, Stationery & Photocopying       | 201,080          | 25,600           |
| Bank Charges                              | 9,998            | 1,408            |
| General Expenses                          | 37,025           | 100,648          |
| Payment to Auditors- Audit Fees           | 30,000           | 23,000           |
| Repairs & Maintenance                     |                  |                  |
| -Buildings                                | -                | -                |
| - Computers                               | -                | -                |
| BSE/Demat Custodial Charges               | 793,917          | 449,204          |
| AGM & other Exp                           | 193,195          | 350,463          |
| Legal & Professional Charges              | 871,823          | 125,000          |
| Write off / Bad Debts                     | -                | 402,780          |
| <b>TOTAL</b>                              | <b>2,461,260</b> | <b>1,798,949</b> |

|   | As at 31.03.18   | As at 31.03.17 |   |  |
|---|--|----------------|---|--|
| <b>NOTE 25 : EXCEPTIONAL &amp; EXTRA ORDINARY ITEMS</b>   |  |                |   |  |
| <b>TOTAL</b>  | -  | -              |   |  |
| <b>NOTE 26 : TAX EXPENSE &amp; PROVISION</b>  |  |                |   |  |
| a) Current tax Expense for Current year   | -  | -              |   |  |
| b) Current tax Expense for Previous year  | -  | -              |   |  |
| c) MAT Credits  | -  | -              |   |  |
| d) Deferred Taxes   | -  | -              |   |  |
| <b>TOTAL</b>  | -  | -              |   |  |
| <table style="width: 100%; border: none;"> <tr> <td style="width: 40%; vertical-align: top;"> <p><b>For Niranjan &amp; Narayan</b><br/>Chartered Accountants<br/>Firm No : 005899s</p> <p>M.Niranjan<br/>Partner<br/>M.No : 029552</p> <p>Place : Hyderabad<br/>Date : 30-05-2018</p> </td> <td style="width: 60%; vertical-align: top; padding-left: 20px;"> <p><b>For and on behalf of the Board</b><br/>Frontier Informatics Limited</p> <p>V.Sreedevi                      Archana Singh<br/>Wholetime Director      Director</p> <p>M.Rajan Babu<br/>Director</p> </td> </tr> </table> |  |                | <p><b>For Niranjan &amp; Narayan</b><br/>Chartered Accountants<br/>Firm No : 005899s</p> <p>M.Niranjan<br/>Partner<br/>M.No : 029552</p> <p>Place : Hyderabad<br/>Date : 30-05-2018</p> | <p><b>For and on behalf of the Board</b><br/>Frontier Informatics Limited</p> <p>V.Sreedevi                      Archana Singh<br/>Wholetime Director      Director</p> <p>M.Rajan Babu<br/>Director</p> |
| <p><b>For Niranjan &amp; Narayan</b><br/>Chartered Accountants<br/>Firm No : 005899s</p> <p>M.Niranjan<br/>Partner<br/>M.No : 029552</p> <p>Place : Hyderabad<br/>Date : 30-05-2018</p>   | <p><b>For and on behalf of the Board</b><br/>Frontier Informatics Limited</p> <p>V.Sreedevi                      Archana Singh<br/>Wholetime Director      Director</p> <p>M.Rajan Babu<br/>Director</p> |                |   |  |

**NOTE 19: NOTES ON ACCOUNTS:**

1. In the opinion of Management, there are no small scale industrial undertaking(s), creditors, to whom company owes a sum exceeding Rupees One Lakh which is outstanding for more than 30 days and hence details in respect of outstanding dues to small scale industrial undertaking(s) are not furnished as required, as per the notification no GSR 129 (E) dated February 22, 1999 issued by Department of Company Affairs.
2. Balances of Sundry Debtors, Sundry Creditors, Loans & Advances are subject to Confirmation.
3. Foreign Exchange earnings and outgo: (On receipt basis and excluding transactions in overseas branches).

|                            |                             |
|----------------------------|-----------------------------|
| Foreign Exchange inflow    |                             |
| Towards Inward remittances | : Rs Nil (P.Y. Rs NIL)      |
| Towards Capital Account    | : Rs 60,00,000/- (PY : NIL) |
| Foreign Exchange outgo     | : Rs. Nil (P.Y. Rs. Nil)    |

**4. Contingent Liabilities (to the extent not provided for) :**

- i) Disputed Income tax demands relating to Asst Years 2001.02 & 2002.03 Amounting to Rs 32.16 lakhs. The issues are under appeal before appropriate Appellate Authorities and as per the opinion of the company's tax advisers, the possibility of crystallization of liability is fairly unlikely.
- ii) Interest payable on Dividend Distribution Tax amounting to Rs 10.91 lakhs is not provided for which the company has sought waiver of interest.

**5. Segment Information**

In terms of AS 17 issued by The Institute of Chartered Accountants of India on Segment Reporting. During the year the Company operated in a single business segment i.e., software services and geographical location in India :

|       | (Rs in Lakhs) | 2017-18 | 2016-17 |
|-------|---------------|---------|---------|
| India | :             | 3.05    | 3.42    |

6. Preferential Allotment :

During the year the company made preferential allotment of 60,00,000 equity shares of Rs 1/- each amounting to Rs 60,00,000/- on 20th March, 2018 and utilized part of the amount as stated in the objects for the issue, towards its working capital requirements. Further the un utilized amount of Rs 50,00,000/- is remaining in the bank account as on 31st March 2018

7. Related Party Transactions

Related party disclosures:

A. Name of the related party and nature of relationship where control exists

1. Associates

a) Frontier Life Sciences Limited

There are no transactions with the company during the year.

b) Knowledge ware Technologies Limited

There are no transactions with the company during the year.

2 .Key Management

|           |                        |                     |
|-----------|------------------------|---------------------|
| Personnel | a) V.K. Premchand      | - Managing Director |
|           | b) Varun Yadav, Potail | - Director          |

B. Transaction with related parties as per books of account.

(Rs. In Lakhs)

|  | Subsidiaries | Associates | Key Management Personnel | Total |
|--|--------------|------------|--------------------------|-------|
| Rendering of Software Services           | -            | -          | -                        | -     |
| Receiving of Software Services           | -            | -          | -                        | -     |
| Arrangement of Finance (Opening Balance) | -            | 25.00      | 30.00                    | 55.00 |
| Others – Payments/Write off              | -            | --         | 15.40                    | 15.40 |
| Others – Net Receipts                    |              | --         | --                       | --    |
| Balance                                  | -            | 25.00      | 45.40                    | 70.40 |
| Remuneration to Managing Director        | -            | --         | --                       | --    |

C. The information given above, has been reckoned on the basis of information available with the Company.

**8. Earnings per share**

Earning per share / Loss per share is calculated by dividing the profit/loss attributable to equity shareholders by the average number of shares outstanding during the year.

|                                  | <u>2017-18</u> | <u>2016-17</u> |
|----------------------------------|----------------|----------------|
| 1. Loss as per Profit & Loss A/c | (31,62,905)    | (20,13,386)    |
| 2. Number of shares (nos)        | 1,26,55,200    | 66,55,200      |
| 3. Loss Per share (Rs.)          | (0.25)         | (0.30)         |
| 4. Face value per share (Rs.)    | 1.00           | 10.00          |

**9. Taxation**

Pursuant to the Accounting Standard AS22 on "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India the company has to recognize any deferred tax or liability in its books of account. Accordingly the company has evaluated the various elements of tax computation to determine whether any tax asset or liability needs to be recognized The Company has incurred substantial losses and it is not considered prudent to identify deferred tax assets.

**10. Rounding off & Re grouping:**

The previous year's figures have been regrouped where necessary to correspond with current year's figures. The figures are rounded off to the nearest rupee.

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Vide our report of even date annexed  
For Niranjana & Narayan  
Chartered Accountants  
Firm No : 005899s

for and on behalf of Board

M.Niranjana  
Partner  
M.No : 029552

(VSreedevi)                  (Archana Singh)  
Wholetime Director      Director

Place: Hyderabad  
Date: 30.05.2018

(M.Rajan Babu)  
Director

**FORM A****(Pursuant to Clause 31(a) of Listing Agreement)****Format of covering letter of annual audit report to be filed with the stock exchange**

| <b>S. No</b> | <b>Particulars</b>                                    | <b>Details</b>               |
|--------------|---|------------------------------|
| 1.           | <b>Name of Company</b>                                | FRONTIER INFORMATICS LIMITED |
| 2.           | <b>Annual Financial Statements for the year ended</b> | 31.03.2018                   |
| 3.           | <b>Type of audit observation</b>                      | NIL                          |
| 4.           | <b>Frequency of observation</b>                       | NA                           |
| 5.           | <b>To be signed by</b>                                |                              |
|              | <b>CEO/Managing Director</b>                          |                              |
|              | <b>CFO/General Manager</b>                            |                              |
|              | <b>Auditors of the Company</b>                        |                              |
|              | <b>Audit Committee Chairman</b>                       |                              |



**Form No. MGT-11**

**Proxy form**

**[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]**

|  |                     |       |
|--|---------------------|-------|
| 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 |                     |       |
| Name :   | E-mail Id:          |       |
| Address:   |                     |       |
| Signature , or failing him   |                     |       |

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30th Annual General Meeting of the company, to be held on the Saturday , the 29<sup>th</sup> day of September, 2018 at Lions Bhavan Trust, Behind HDFC Bank, Near Paradise Circle, S D Road, Secunderabad -500003, Telangana, India and at any adjournment thereof in respect of such resolutions as are indicated below:

**Resolution No**

| Sl. No. | Resolution(S)  | Vote |         |
|---------|--|------|---------|
|         |  | For  | Against |
| 1       | To receive, consider and adopt the audited Balance Sheet as at March 31, 2018, the Profit & Loss Account and Cash Flow Statement for the period ended on March 31, 2018 along with schedules & annexure and the reports of the Board of Directors and Auditors thereon |      |         |
| 2       | Re-appoint a Director in place of Mr. SP Vivekananda, who retires by rotation, and being eligible, offers himself for re-appointment   |      |         |
| 3       | Ratification of Appointment of Statutory Auditors M/s Niranjan & Narayan, Chartered Accountants & fixing their remuneration  |      |         |
| 4       | Regularization of Additional Director, Mr. Ramarao Atchuta Mullapudi (Din: 02302179) as Non-Executive Director   |      |         |
| 5       | Regularization of Additional Director, Ms. Vuppuluri Sreedevi (Din: 02448540) as Wholetime Director  |      |         |
| 6       | Appointment of Ms. Vuppuluri Sreedevi (Din: 02448540) As Wholetime Director  |      |         |
| 7       | Regularization of Additional Director, Mrs. Kolla Sudha (DIN Number 06603646) appointed as Independent Director  |      |         |
| 8       | Preferential Allotment of Shares   |      |         |

Signed this \_\_\_\_ day of \_\_\_\_ 2018

Affix Revenue  
Stamps

Signature of Shareholder

Signature of Proxy holder

Signature of shareholder  
across Revenue Stamp

**Note:**

- 1) This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.
- 2) The proxy need not be a member of the company

**FRONTIER INFORMATICS LIMITED**  
**Plot No. 31 P & 32, 3rd Floor, Tower A, Ramky Selenium, Financial District,**  
**Nanakramguda, Hyderabad-500032, Telangana, India**  
**ATTENDANCE SLIP**

(To be handed over at the entrance of the meeting hall)

30<sup>th</sup> Annual General Meeting on 29<sup>th</sup> September 2018

Full name of the members attending \_\_\_\_\_

(In block capitals)

Ledger Folio No./Client ID No. \_\_\_\_\_ No. of shares held: \_\_\_\_\_

Name of Proxy \_\_\_\_\_

(To be filled in, if the proxy attends instead of the member)

I hereby record my presence at the 30<sup>th</sup> Annual General Meeting of the Frontier Informatics Limited, be held on Saturday , the 29<sup>th</sup> day of September, 2018 at at Lions Bhavan Trust, Behind HDFC Bank, Near Paradise Circle, S D Road, Secunderabad -500003, Telangana, India

(Member's /Proxy's Signature)

**Note:**

- 1) Members are requested to bring their copies of the Annual Report to the meeting, since further copies will not be available.
- 2) The Proxy, to be effective should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the commencement of the meeting.
- 3) A Proxy need not be a member of the Company.
- 4) In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.
- 5) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the meeting.

**Form No. MGT-12  
Polling Paper**

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

| <b>FRONTIER INFORMATICS LIMITED</b>   |  |                                |                            |                               |
|---|--|--------------------------------|----------------------------|-------------------------------|
| <b>Plot No. 31 P &amp; 32, 3rd Floor, Tower A, Ramky Selenium, Financial District, Nanakramguda, Hyderabad-500032, Telangana, India</b>                                 |  |                                |                            |                               |
| S.No  | Particulars  | Details                        |                            |                               |
| 1.  | Name of the First Named Shareholder<br>(In block letters)  |                                |                            |                               |
| 2.  | Postal address   |                                |                            |                               |
| 3.  | Registered folio No. /*Client ID No. (*Applicable to investors holding shares in dematerialized form)  |                                |                            |                               |
| 4.  | Class of Share   |                                |                            |                               |
| I hereby exercise my vote in respect of Ordinary/ Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner: |  |                                |                            |                               |
| Item No.  |  | No. of shares held by me       | I assent to the resolution | I dissent from the resolution |
|   | To receive, consider and adopt the audited Balance Sheet as at March 31, 2018, the Profit & Loss Account and Cash Flow Statement for the period ended on March 31, 2018 along with schedules & annexure and the reports of the Board of Directors and Auditors thereon |                                |                            |                               |
|   | Re-appoint a Director in place of Mr. SP Vivekananda, who retires by rotation, and being eligible, offers himself for re-appointment   |                                |                            |                               |
|   | Ratification of Appointment of Statutory Auditors M/s Niranjana & Narayan, Chartered Accountants & fixing their remuneration   |                                |                            |                               |
|   | Regularization of Additional Director, Mr. Ramarao Atchuta Mullapudi (Din: 02302179) as Non-Executive Director   |                                |                            |                               |
|   | Regularization of Additional Director, Ms. Vuppuluri Sreedevi (Din: 02448540) as Wholetime Director  |                                |                            |                               |
|   | Appointment of Ms. Vuppuluri Sreedevi (Din: 02448540) As Wholetime Director  |                                |                            |                               |
|   | Regularization of Additional Director, Mrs. Kolla Sudha (DIN Number 06603646) appointed as Independent Director  |                                |                            |                               |
|   | Preferential Allotment of Shares   |                                |                            |                               |
| Place:  |  |                                |                            |                               |
| Date:   |  | (Signature of the shareholder) |                            |                               |



Secunderabad

Hyderabad

SAIDARABAD

Google

17 km

Banjara Hills

Jubilee Hills

Toli Chowki

Indian School of Business

Erroor MGIF

Boulder Hills

MANGRAM

ORDA

MANIKUNDA

SHAIKPET

CREAM VALLEY

HANIKUNDA

PURPANAUBA

SHAIKPET

NIOSRATA

KIRKAPET

GANDHIPET

Ocean Park

GANDHIPET

Chowmahalla Palace

Chammitor

Salar Jung Museum

BEHRA BAZAR

MILLIARTIST

MOOSABA

VEDYA NAG

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***FRONTIER***  

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***INFORMATICS LIMITED***

***30<sup>th</sup> Annual Report 2017-18***

Reg. Off. : Plot No. 31 P & 32, 3rd Floor, Tower A, Ramky Selerium, Financial District,  
Nanakramguda, Hyderabad-500032, Telangana, India