FRONTIER LEASING AND FINANCE LIMITED

Registered Office: Peninsula Technopark Tower-1, 7th Floor, Off Bandra-Kurla Complex, LBS Marg, Kurla (West), Mumbai - 400 070; Tel. No.: +91-22-6660 1100; Fax No.: +91-22-6666 9426; Email id: cs_legal@flflindia.com

Recommendations of the Committee of Independent Directors ("IDC") of Frontier Leasing and Finance Limited ("Target Company") on the Open Offer made by Mr. Anirudh Bhuwalka ("Acquirer") to the Shareholders of the Target Company under regulation 26(7) of Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ("Takeover Regulations, 2011") and subsequent amendments thereto.

1.	Date	May 2, 2014
2.	Name of the Target Company (TC)	Frontier Leasing and Finance Limited
3.	Details of the Offer pertaining to TC	The Open Offer is being made by the Acquirer for acquisition of 63,700 fully paid up equity shares of face value of ₹ 10/- each representing 26% of the fully paid-up equity share capital and voting capital of the Target Company at a price of ₹ 149/- (Rupees One Hundred Forty Nine Only) per fully paid up equity shares of face value of ₹ 10/- each payable in cash pursuant to regulations 3(1), 4, 5(1) and 5(2) of Takeover Regulations, 2011 and subsequent amendments thereto.
4.	Name(s) of the acquirer and PAC with the acquirer	Acquirer - Mr. Anirudh Bhuwalka There are no PAC with the Acquirer.
5.	Name of the Manager to the offer	Inga Capital Private Limited
6.	Members of the Committee of Independent Directors (Please indicate the chairperson of the Committee separately)	1. Mr. Rajesh Kathuria 2. Mr. Sridhar Srinivasan 3. Mr. V. G. Raghavan Mr. Sridhar Srinivasan is the Chairman of the IDC.
7.	IDC Member's relationship with the TC (Director, Equity shares owned, any other contract/relationship), if any	1. Mr. Rajesh Kathuria is an independent director of the TC and does not hold equity shares in TC. 2. Mr. Sridhar Srinivasan is an independent director of the TC and does not hold equity shares in TC. 3. Mr. V. G. Raghavan is an independent director of the TC and does not hold equity shares in TC.
8.	Trading in the Equity shares/other securities of the TC by IDC Members	None of the IDC members have done trading in the equity share/ other securities of the Target Company since their appointment.
9.	IDC Member's relationship with the acquirer (Director, Equity shares owned, any other contract/relationship), if any	None of the IDC members have any relationship with the Acquirer.
10.	Trading in the Equity shares/other securities of the acquirer by IDC Members	Not Applicable
11.	Recommendation on the Open offer, as to whether the offer is fair and reasonable	IDC members believe that the Open Offer is fair and reasonable and is in accordance with Takeover Regulations, 2011.
12.	Summary of reasons for recommendation (IDC may also invite attention to any other place, e.g. Company's website, where its detailed recommendations along with written advice of the independent adviser, if any can be seen by the shareholder)	IDC recommends acceptance of the Open offer made by the Acquirer as the Offer price of ₹ 149/- (Rupees One Hundred and Forty Nine only) per fully paid up equity share. This is fair and reasonable based on the following documents and reasoning: A. Documents considered by the IDC (i) Valuation done by independent valuer M/s SSPA & Co, Chartered Accountants. (ii) Audited financials as of September 30, 2013 audited by M/s Nisar & Kumar, Chartered Accountants. B. Basis of the valuation: Higher of the valuation as derived by: (i) Underlying Asset Approach (ii) Income Approach (iii) Market Price Based Valuation (i) Underlying Asset Approach As per Audited Financials for the Half year ended September 30, 2013: Financial parameters: a) Profit - ₹ 43.52 Lacs b) Basic Earnings Per share of the TC - ₹ 17.76 c) Book value per share - ₹ 148.54 (ii) Income Approach As per Income Approach, the value per share works out to negative ₹ 10.56/-. (iii) Market Price Based Valuation Since there has been no trading in the equity shares on BSE Limited, since November 2010, the same is not considered. Hence, the value recommended is ₹ 149.00/- being the highest of above three valuation methods. C. Keeping in view above facts IDC is of opinion that Open Offer Price is fair and reasonable. D. The present offer will provide an exit opportunity to the retail shareholders.
13.	Details of Independent Advisors, if any	Nil
14.	Any other matter(s) to be highlighted	Nil

To the best of our knowledge and belief, after making proper enquiry, the information contained in or accompanying this statement is, in all material respect, true and correct and not misleading, whether by omission of any information or otherwise, and includes all the information required to be disclosed by the TC under the Takeover Regulations, 2011.

For FRONTIER LEASING AND FINANCE LIMITED
Sd/-
Sridhar Srinivasan
Chairman-Committee of Independent Directors

Place : Mumbai
Date : May 2, 2014