



Frontier Springs Ltd.

REGD. OFFICE & FACTORY : KM 25/4, KALPI ROAD, RANIA, KANPUR DEHAT - 209 304 U.P. (INDIA)
Tele Office : +91-5111-240212, 240213 • Fax : +91-5111-240214
e-mail : info@frontiersprings.co.in • Website : http://www.frontiersprings.co.in
CIN No. : L17119UP1981PLC005212

September 5, 2020

To
Bombay Stock Exchange Limited
Department of Corporate Affairs
Floor 25, PJ Towers, Dalal Street
Mumbai-400001
Script Code: 522195

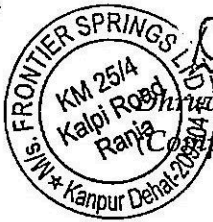
Subject: Annual Report for the FY- 2019-20 along with Notice of 40th Annual General Meeting

Dear Sir/Madam

Pursuant to Regulation 30 and 34 of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of the Annual Report for the Financial Year 2019-20 along with the Notice of 40th Annual General Meeting of the Company scheduled to be held on Wednesday, September 30, 2020 at 12.30 P.M to transact the business as set out in the Notice.

Kindly take the above on record and oblige.

Thanking You
Yours Faithfully,
For Frontier Springs Limited



Bhasin
Bhasin

Company Secretary & Compliance Officer)



SERVING THE NATION SINCE 1980



Registered Office : Km 25/4, Kalpi Road, Rania, Kanpur Dehat-209 304

CIN : L17119UP1981PLC005212

Tel. : +91 (05111) 240212-13 • Fax : +91 (05111) 240214

Email : c.s@frontiersprings.co.in • Web : www.frontiersprings.co.in

NOTICE

Notice is hereby given that the Fortieth Annual General Meeting (AGM) of the members of **FRONTIER SPRINGS LIMITED** ("the Company") will be held on Wednesday, the 30th September, 2020 at 12:30 P.M. through Video Conferencing ('VC')/Other Audio Visual Means ('OAVM') to transact the following business:

- 1) To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March, 2020 and the Reports of the Board of Directors and Auditors thereon.
- 2) To declare Dividend on Equity shares of the Company for the financial year 2019-20.
- 3) To appoint a Director in place of Shri Neeraj Bhatia (DIN:00582395) who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

- 4) To re-appoint Shri K.L. Bhatia as Chairman cum Managing Director of the Company and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the approval of such other authorities as may be necessary, consent of the Company be and is hereby accorded for re-appointment of Shri Kundan Lal Bhatia, as Chairman Cum Managing Director for a period of five years w.e.f. 1st April, 2020 on the terms and conditions including remuneration which are hereby approved for a period of three years as under:-

SALARY : Rs. 1,50,000 per month.

PERQUISITES : In addition to the salary, the Chairman Cum Managing Director shall be entitled to following perquisites categorized in three Parts A, B & C as follows:

PART-A

- (i) **Housing** – The expenditure incurred by the Company on Gas, Electricity, water & furniture subject to maximum of Rs. 25,000/- p.m. and shall be valued as per Income-Tax Rules, 1962.
- (ii) **Medical Reimbursement** – Expenses incurred for self and family subject to a ceiling of one month's salary per year to three months' salary in a block of three years.
- (iii) **Leave Travel Concession** – Actual amount incurred in respect of leave travel for proceeding to any place in India for self and family once in a year shall be reimbursed, subject to ceiling of Rs. 2,00,000/-(Rupees Two Lacs) per annum. The entitlement for one year to the extent not availed shall be allowed to be accumulated up to next two years.
- (iv) **Entertainment expenses and other business expenses** – Reimbursement of entertainment, travelling including foreign travel and all other expenses if any, actually and properly incurred for the business of the Company. Including reimbursement of travelling expenses of the family accompanying the Chairman Cum Managing Director on any official trip.
- (v) **Entertainment and Vacations expenses** - Reimbursement of entertainment, stay and travelling expenses associated with vacations spend in any foreign country for self and family in a block of two years shall be reimbursed, subject to ceiling of Rs. 5,00,000/-(Rupees Five Lacs Only).
- (vi) **Education Allowances** – Reimbursement of Education expenses and all other related expenses for the purposes of education of the Children shall be reimbursed if any, actually and properly incurred.
- (vii) **Club fee** – Reimbursement of fees of clubs subject to maximum of four clubs. No admission and life membership fees will be paid.
- (viii) **Personal Accident Insurance** – Premium not to exceed Rs.4,000/- per annum.

FORTIETH ANNUAL GENERAL MEETING NOTICE

PART-B

- (i) Contribution to (a) Provident Fund or National Pension Scheme (b) Super Annuation Fund or Annuity fund as per Company's rules. These will not be included in the computation of the ceiling on perquisites to the extent either singly or put together are not taxable under the Income Tax Act, 1961.
- (ii) Gratuity not exceeding half month's salary for each completed year of service.

PART-C

The Company shall provide a car with driver and telephone at the residence of the Chairman Cum Managing Director. Provision of car for use of Company's business and telephone at residence will not be considered as perquisite. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Chairman Cum Managing Director.

The Chairman Cum Managing Director shall be entitled to leave with pay for a period not exceeding one month for every eleven months of services besides casual and sick leave. However, leave accumulated but not availed will be allowed to be encashed.

ADDITIONAL REMUNERATION / INCENTIVE

In addition to the Salary & Perquisites, as specified supra, the Chairman Cum Managing Director shall be entitled to receive additional remuneration / Incentive based upon the quarterly financial performance of the Company, subject to the condition that the total remuneration payable to him shall not exceed the limits laid down under Schedule V read with other applicable provisions of the Companies Act, 2013 and Rules framed thereunder. The composition, mode and manner of payment of such additional remuneration shall be finalized in consultation with the Chairman Cum Managing Director.

"RESOLVED FURTHER THAT where in any financial year during the currency of term of Chairman Cum Managing Director, the Company has no profits or its profits are inadequate, the Company shall pay to Chairman Cum Managing Director, remuneration by way of Salary and Perquisites as specified above as minimum remuneration, subject however to the provisions of Schedule V and other applicable provisions of the Companies Act, 2013."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to alter, vary and modify the terms and conditions of

appointment of Shri K.L Bhatia from time to time, during the tenure of his appointment as a Chairman Cum Managing Director of the Company including salary, perquisites and additional remuneration / incentive, provided however that the total remuneration payable to him shall not at any time exceed the limit prescribed under Schedule V and all other applicable provisions of the Companies Act, 2013 and Rules framed thereunder."

"RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to settle any questions, doubts or difficulties and to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to this resolution without being required to seek further approval of the Members and the approval of the Members shall be deemed to have been given thereto expressly by the authority of this resolution."

- 5) To re-appoint Shri Kapil Bhatia as Managing Director of the Company and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the approval of such other authorities as may be necessary, consent of the Company be and is hereby accorded for reappointment of Shri Kapil Bhatia, as Managing Director for a period of five years w.e.f. 5th Janaury, 2020 on the terms and conditions including remuneration which are hereby approved for a period of three years as under:-

SALARY : Rs 7,00,000/- (Rupees Seven Lakhs only) per month.

PERQUISITES : In addition to the salary, the Managing Director shall be entitled to following perquisites categorized in three Parts A, B & C as follows:

PART-A

- (i) **Housing** – The expenditure incurred by the Company on Gas, Electricity, water & furniture subject to maximum of Rs. 25,000/- p.m. and shall be valued as per Income-Tax Rules, 1962.
- (ii) **Medical Reimbursement** – Expenses incurred for self and family subject to a ceiling of one month's salary per year to three months' salary in a block of three years.

- (iii) **Leave Travel Concession** – Actual amount incurred in respect of leave travel for proceeding to any place in India for self and family once in a year shall be reimbursed, subject to ceiling of Rs. 2,00,000/- (Rupees Two Lakhs only) per annum. The entitlement for one year to the extent not availed shall be allowed to be accumulated up to next two years.
- (iv) **Entertainment expenses and other business expenses** – Reimbursement of entertainment, travelling including foreign travel and all other expenses if any, actually and properly incurred for the business of the Company. Including reimbursement of travelling expenses of the family accompanying the Managing Director on any official trip.
- (v) **Entertainment and Vacations expenses** - Reimbursement of entertainment, stay and travelling expenses associated with vacations spend in any foreign country for self and family in a block of two years shall be reimbursed, subject to ceiling of Rs 5,00,000/- (Rupees Five Lakhs Only).
- (vi) **Education Allowances** – Reimbursement of Education expenses and all other related expenses for the purposes of education of the Children shall be reimbursed if any, actually and properly incurred.
- (vii) **Club fee** – Reimbursement of fees of clubs subject to maximum of four clubs. No admission and life membership fees will be paid.
- (viii) **Personal Accident Insurance** – Premium not to exceed Rs.4,000/- per annum.

PART-B

- (i) Contribution to (a) Provident Fund and / or National Pension Scheme (b) Super Annuation Fund or Annuity fund as per Company's rules. These will not be included in the computation of the ceiling on perquisites to the extent either singly or put together are not taxable under the Income Tax Act, 1961.
- (ii) Gratuity not exceeding half month's salary for each completed year of service.

PART-C

The Company shall provide a car with driver and telephone at the residence of the Managing Director. Provision of car for use of Company's business and telephone at residence will not be considered as perquisite. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Managing Director.

The Managing Director shall be entitled to leave with pay for a period not exceeding one month for every eleven months of services besides casual and sick leave. However, leave accumulated but not availed will be allowed to be en-cashed.

ADDITIONAL REMUNERATION / INCENTIVE

In addition to the Salary & Perquisites, as specified supra, the Managing Director shall be entitled to receive additional remuneration / Incentive based upon the quarterly financial performance of the Company, subject to the condition that the total remuneration payable to him shall not exceed the limits laid down under Schedule V read with other applicable provisions of the Companies Act, 2013 and Rules framed thereunder. The composition, mode and manner of payment of such additional remuneration shall be finalized in consultation with the Managing Director.

“RESOLVED FURTHER THAT where in any financial year during the currency of term of Managing Director, the Company has no profits or its profits are inadequate, the Company shall pay to Managing Director, remuneration by way of Salary and Perquisites as specified above as minimum remuneration, subject however to the provisions of Schedule V and other applicable provisions of the Companies Act, 2013.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to alter, vary and modify the terms and conditions of appointment of Shri Kapil Bhatia from time to time, during the tenure of his appointment as Managing Director of the Company including salary, perquisites and additional remuneration / incentive, provided however that the total remuneration payable to him shall not at any time exceed the limit prescribed under Schedule V and all other applicable provisions of the Companies Act, 2013 and Rules framed thereunder.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to settle any questions, doubts or difficulties and to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to this resolution without being required to seek further approval of the Members and the approval of the Members shall be deemed to have been given thereto expressly by the authority of this resolution.”

- 6) To re-appoint Shri Neeraj Bhatia as a Whole-time Director of the Company and in this regard to consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

FORTIETH ANNUAL GENERAL MEETING NOTICE

“RESOLVED THAT pursuant to provisions of Section 196, 197, and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such approvals as may be necessary, consent of the Company be and is hereby accorded for re-appointment of Shri Neeraj Bhatia, as Whole-time Director of the Company for a period of five years with effect from 1st April, 2020 on the terms and conditions including remuneration which are hereby approved for a period of three years as under:-

SALARY : Rs 7,00,000/- (Rupees Seven Lakhs only) per month.

PERQUISITES : In addition to the salary, the Whole-time Director shall be entitled to following perquisites categorized in three Parts A, B & C as follows:

PART-A

- (i) **Housing** – The expenditure incurred by the Company on Gas, Electricity, water & furniture subject to maximum of Rs. 25,000/- p.m. and shall be valued as per Income-Tax Rules, 1962.
- (ii) **Medical Reimbursement** – Expenses incurred for self and family subject to a ceiling of one month's salary per year to three months' salary in a block of three years.
- (iii) **Leave Travel Concession** – Actual amount incurred in respect of leave travel for proceeding to any place in India for self and family once in a year shall be reimbursed, subject to ceiling of Rs. 2,00,000/- (Rupees Two Lakhs only) per annum. The entitlement for one year to the extent not availed shall be allowed to be accumulated up to next two years.
- (iv) **Entertainment expenses and other business expenses** – Reimbursement of entertainment, travelling including foreign travel and all other expenses if any, actually and properly incurred for the business of the Company. Including reimbursement of travelling expenses of the family accompanying the Director on any official trip.
- (v) **Entertainment and Vacations expenses** - Reimbursement of entertainment, stay and travelling expenses associated with vacations spend in any foreign country for self and family in a block of two years shall be reimbursed,

subject to ceiling of Rs. 5,00,000/- (Rupees Five Lakhs Only).

(vi) **Education Allowances** – Reimbursement of Education expenses and all other related expenses for the purposes of education of the Children shall be reimbursed if any, actually and properly incurred.

(vii) **Club fee** – Reimbursement of fees of clubs subject to maximum of four clubs. No admission and life membership fees will be paid.

(viii) **Personal Accident Insurance** – Premium not to exceed Rs.4,000/- per annum.

PART-B

- (i) Contribution to (a) Provident Fund and / or National Pension Scheme (b) Super Annuation Fund or Annuity fund as per Company's rules. These will not be included in the computation of the ceiling on perquisites to the extent either singly or put together are not taxable under the Income Tax Act, 1961.
- (ii) Gratuity not exceeding half month's salary for each completed year of service.

PART-C

The Company shall provide a car with driver and telephone at the residence of the Whole-time Director. Provision of car for use of Company's business and telephone at residence will not be considered as perquisite. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to the Whole-time Director.

The Whole-time Director shall be entitled to leave with pay for a period not exceeding one month for every eleven months of services besides casual and sick leave. However, leave accumulated but not availed will be allowed to be en-cashed.

ADDITIONAL REMUNERATION / INCENTIVE

In addition to the Salary & Perquisites, as specified supra, the Whole-time Director shall be entitled to receive additional remuneration / Incentive based upon the quarterly financial performance of the Company, subject to the condition that the total remuneration payable to him shall not exceed the limits laid down under Schedule V read with other applicable provisions of the Companies Act, 2013 and Rules framed thereunder. The composition, mode and manner of payment of such additional remuneration shall be finalized in consultation with the Whole-time Director.

“RESOLVED FURTHER THAT where in any financial year during the currency of term of Whole-time Director, the Company has no profits or its profits

are inadequate, the Company shall pay to Whole-time Director, remuneration by way of Salary and Perquisites as specified above as minimum remuneration, subject however to the provisions of Schedule V and other applicable provisions of the Companies Act, 2013.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to alter, vary and modify the terms and conditions of appointment of Shri Neeraj Bhatia from time to time, during the tenure of his appointment as Whole-time Director of the Company including salary, perquisites and additional remuneration / incentive, provided however that the total remuneration payable to him shall not at any time exceed the limit prescribed under Schedule V and all other applicable provisions of the Companies Act, 2013 and Rules framed thereunder.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to settle any questions, doubts or difficulties and to do all such acts, deeds, matters and things as may be necessary, desirable or expedient to give effect to this resolution without being required to seek further approval of the Members and the approval of the Members shall be deemed to have been given thereto expressly by the authority of this resolution.”

7. To appoint Shri Keshao P Somkuwar (DIN:08712772) as an Independent Director of the Company and in this regard 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 Sections 149, 150 and 152 read with Schedule IV and other applicable provisions, if any and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Pursuant to Regulation 16(1)(b) of the SEBI(Listing Obligations and Disclosure Requirements) Regulations 2015, Shri Keshao P Somkuwar (DIN: 08712772), who has appointed as an Additional Director (Independent) by the Board of Directors with effect from 8th February 2020, in terms of Section 161 of the Act read with the Articles of Association of the Company and who holds the office upto the date of the Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a Member, proposing his candidature for the office of Director of the Company be and is hereby appointed as an Independent Director of the Company, to hold office for a term of five consecutive

years, with effect from 8th February 2020, not liable to retire by rotation.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all such acts and to take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

8. To ratify the remuneration of the Cost Auditors in respect of Company's product 'Steel', for the financial year ending 31st March, 2021 and in this regard, 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 148(3) and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration payable to M/s. R. M. Bansal & Co., Cost Accountants (having Firm Registration No. 000022), appointed by the Board of Directors of the Company as Cost Auditors to conduct the audit of the Cost Records of the Company in respect of its product 'Steel' for the financial year ending 31st March, 2021 amounting to Rs. 50,000/- (Rupees Fifty Thousand only) per year, plus taxes as applicable and re-imbursement of actual travel/ conveyance and out-of-pocket expenses incurred in connection with the aforesaid audit, as recommended by the Audit Committee and approved by the Board of Directors of the Company, be and is hereby ratified and confirmed.

Registered Office :
KM 25/4, Kalpi Road, Rania,
Kanpur Dehat-209304
Dated : 05th September, 2020

By Order of the Board
For Frontier Springs Limited
(DHRUV BHASIN)
Company Secretary

NOTES:

1. Pursuant to the General Circular Nos 20/2020 Dt. 05.05.2020, 14/2020 Dt.08.04.2020., 17/2020 Dt.13.04.2020 issued by the Ministry of Corporate Affairs (MCA) and Circular number SEBI/HO /CFD/ CMD1/CIR/P/2020/79 Dt.12.05.2020 issued by the Securities and Exchange Board of India (SEBI) (hereinafter collectively referred to as “the Circulars”), Companies are allowed to hold AGM through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC.

FORTIETH ANNUAL GENERAL MEETING NOTICE

2. A member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a member of the Company. Since the AGM is being held in accordance with the Circulars through VC, the facility for appointment of proxies by the members will not be available.
3. Participation of members through VC will be reckoned for the purpose of quorum for the AGM as per section 103 of the Companies Act, 2013 ("the Act").
4. A statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of special businesses under Item Nos. 4 to 8 as set out above is annexed hereto.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, 23rd September 2020 to Wednesday 30th September, 2020 (both days inclusive) for the purpose of dividend.
6. Institutional /Corporate Shareholders (i.e other than Individuals/HUF/NRI etc) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorization etc, authorizing its representative to attend the AGM through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent via registered email of the shareholder to e-mail of the Company c.s@frontiersprings.co.in.
7. The Members can join the AGM in the VC/OAVM mode thirty minutes before the scheduled time of the commencement of meeting by following the procedure mentioned in the Notice. The facility of participation at the AGM through VC/OAVM will be available on first come first serve basis.
8. In compliance with the aforesaid MCA Circulars and SEBI Circular dated May 12,2020,Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those members whose email addresses are registered with the Company/Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the Company's website www.frontiersprings.co.in, website of the Stock Exchange www.bseindia.com and on the website of the CDSL <https://www.evotingindia.com>.
9. In case of joint holders,the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote at the AGM.
10. Members whose shareholding is in electronic mode are requested to direct notifications about change of address and update about bank account details to their respective depository participants(s) (DP). Members whose shareholding is in physical mode are requested to opt for the Electronic Clearing System (ECS) mode to receive dividend on time in line with the Circulars. We urge members to utilise the ECS for receiving dividends. Please refer point number 21 for the process to be followed for updating bank account mandate.
11. Dividend for the financial year ended March 31,2019 and thereafter which remains unclaimed for seven years will be transferred by the Company to Investor Education and Protection Fund established by the Central Government.
12. The Dividend on Equity Shares, as recommended by Board of Directors, subject to provisions of Section 126 of the Companies Act,2013, if approved by the Members at the Annual General Meeting will be paid to those members :
 - (a) whose name appears as "Beneficial Owners" as at the end of the business hours on 22nd September, 2020 in the list of Beneficial Owners to be furnished by National Depository Securities Limited and Central Depository Services (India) Limited, in respect of Equity Shares held in dematerialised form; and
 - (b) Whose names appear on the Company's Register of Members after giving effect to valid share transfer lodged with the Company/its Registrar and Share Transfer Agent at the end of business hours on 22nd September, 2020 in respect of shares held in physical form.
13. Members may note that the Income Tax Act, 1961,("the IT Act") as amended by the Finance Act, 2020, mandates that dividend paid or distributed by a company after April 01, 2020 shall be taxable in the hands of members. The Company shall therefore be required to deduct tax at source (TDS) at the time of making the payment of final dividend. In order to enable us to determine the appropriate TDS rate as applicable, members are requested to submit the following documents in accordance with the provisions of the IT Act.

For resident shareholders, taxes shall be deducted at source under Section 194 of the IT Act as follows-

Members having valid PAN
7.5% or as notified by the Government of India

Members not having PAN/valid PAN
20% or as notified by the Government of India

However, no tax shall be deducted on the dividend payable to a resident individual if the total dividend to be received by them during Financial Year 2020-21 does not exceed Rs 5000 and also in cases where

members provide Form 15G/15H(applicable to individuals aged 60 years or more) subject to conditions specified in the IT Act. Resident shareholders may also submit any other document as prescribed under the IT Act to claim a lower/Nil withholding tax. Registered members may also submit any other document as prescribed under the IT Act to claim a lower/Nil withholding tax. PAN is mandatory for members providing Form 15G/15H or any other document as mentioned above.

For non-resident shareholders , taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the IT Act, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable. However, as per Section 90 of the IT Act, non-resident shareholders have the option to be governed by the provisions of the Double Tax Avoidance Agreement (DTAA) between India and the country of tax residence of the member, if they are more beneficial to them. For this purpose, i.e. to avail the benefits under the DTAA, non-resident shareholders will have to provide the following :

- Copy of the PAN card allotted by the Indian Income Tax authorities duly attested by the member
- Copy of Tax Residency Certificate (TRC) for the FY 2020-21 obtained from the revenue authorities of the country of tax residence, duly attested by member
- Self-declaration in Form 10F
- Self-declaration by the shareholder of having no permanent establishment in India in accordance with the applicable tax treaty
- Self-declaration of beneficial ownership by the non-resident shareholder
- Any other documents as prescribed under the IT Act for lower withholding of taxes if applicable, duly attested by member

In case of Foreign Institutional Investors / Foreign Portfolio Investors, tax will be deducted under Section 196D of the IT Act @ 20% (plus applicable surcharge and cess).

14. Members wishing to claim dividends that remain unclaimed are requested to correspond with the RTA as mentioned above, or with the Company Secretary, at the Company's registered office. Members are requested to note that dividends that are not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will be

transferred to the Investor Education and Protection Fund (IEPF). Shares on which dividend remains unclaimed for seven consecutive years shall be transferred to the IEPF as per Section 124 of the Act, read with applicable IEPF rules.

15. The remote e-voting facility will be available during the following period:

Commencement of Remote e-voting

Sunday, 27th September, 2020, 9.00 A.M. IST

End of Remote e-voting

Tuesday, 29th September , 2020, 5.00 P.M. IST

The e-voting period commences on Sunday, 27th September, 2020 (9:00 A.M. IST) and ends on Tuesday, 29th September, 2020 (5:00 P.M. IST). During this period, members holding shares either in physical or dematerialized form, as on cut-off date, i.e. as on 23rd September, 2020 may cast their votes electronically. The e-voting module will be disabled by CDSL for voting thereafter. A member will not be allowed to vote again on any resolution on which vote has already been cast. The voting rights of members shall be proportionate to their share of the paid-up equity share capital of the Company as on the cut-off date, i.e. as on 23rd September, 2020.

16. In compliance with Section 108 of the Act, read with the corresponding rules, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("the Listing Regulations"), the Company has provided a facility to its members to exercise their votes electronically through the electronic voting ("e-voting") facility provided by the Central Depository Securities Limited (CDSL). Members who have cast their votes by remote e-voting prior to the AGM may participate in the AGM but shall not be entitled to cast their votes again. The manner of voting remotely by members holding shares in dematerialised mode, physical mode and for members who have not registered their email addresses is provided in the instructions for e-voting section which forms part of this Notice. The Board has appointed Shri S.K. Gupta, (FCS-2589) and failing him Ms. Divya Saxena, (FCS-5639) Practicing Company Secretaries as Scrutinizer to scrutinize the remote e-voting process in a fair and transparent manner and they have communicated their willingness to be appointed and will be available for same purpose.

17. The facility for voting during the AGM will also be made available. Members present in the AGM through VC and who have not cast their on the resolutions through e-voting and are otherwise not barred from doing so, shall be eligible to vote through the e-voting system during the AGM.

FORTIETH ANNUAL GENERAL MEETING NOTICE

18. Any person who acquires shares of the Company and becomes a member of the Company after sending of the Notice and holding shares as on the cut-off date, may obtain the Login ID and password by sending a request at evoting@cdsl.co.in. However, if he/she is already registered with CDSL for remote e-voting then he/she can use his/her existing User Id and password for casting the vote.
19. Members desiring any information with respect to Accounts are requested to write to the Company atleast seven days in advance from the date of the meeting so as to enable the management to keep the information ready and furnish the same at the meeting, if the Chairman permits to do so.
20. The equity shares of the Company are compulsorily tradable in demat form. The equity shares have been assigned ISIN INE572D1014.

In accordance with the proviso to Regulation 40(1) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations 2015 effective from April 1, 2019, transfer of shares of the company shall not

be processed (except in cases of transmission or transposition of shares) unless the shares are held in dematerialized form with a depository. Accordingly, shareholders holding equity shares in physical form are urged to have their shares dematerialized so as to be able to freely transfer them and participate in various corporate actions.

21. We urge members to support our commitment to environmental protection by choosing to receive the Company's communication through email. Members holding shares in demat mode, who have not registered their email addresses with their respective depository participants, and members holding shares in physical mode are requested to update their email addresses with the Company's RTA, Alankit Assignments Limited at lalitap@alankit.com to receive copies of the Annual Report 2019-20 in electronic mode. Members may follow the process detailed below for registration of email ID to obtain the Annual Report, user ID / password for e-voting and updation of bank account mandate for the receipt of dividend.

Type of Holder	Process to be followed	
	Registering Email Address	Updating bank account details
Physical	Send a request to the RTA of the Company, Alankit Assignments Limited at lalitap@alankit.com providing Folio No., Name of member, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar card) for registering email address.	Send a request to the RTA of the Company, Alankit Assignments Limited at lalitap@alankit.com providing Folio No., Name of member, scanned copy of the share certificate (front and back), PAN (self-attested scanned copy of PAN card), AADHAR (self-attested scanned copy of Aadhar card) for updating bank account details. The following additional details need to be provided in case of updating bank account details : <ul style="list-style-type: none"> Name and branch of the bank in which you wish to receive the dividend, the bank account type, Bank account number allotted by their banks after implementation of core banking solutions 9 digit MICR Code Number 11 digit IFSC a scanned copy of the cancelled cheque bearing the name of the first member.
Demat	Please contact your DP and register your email address and bank account details in your demat account, as per the process advised by your DP.	

22. Additional information, pursuant to Regulation 36 of the Listing Regulations, in respect of the directors seeking appointment / reappointment at the AGM, forms part of this Notice.
23. Pursuant to SEBI Circular No. SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April, 2018; the

Company is required to obtain the copy of PAN Card and Bank details from all the shareholders holding shares in physical form. **Members are requested to get their details updated by sending the below-mentioned documents along-with a duly signed request letter to "RTA":**

- a) **Self-attested copy of PAN Card of all the holders;**
 - b) **Original cancelled cheque leaf with name of member printed on it (if name is not printed, a copy of Bank Passbook/ Statement bearing name, duly attested by the Bank) and;**
 - c) **Self-attested copy of address proof (viz. aadhaar, voter-id, passport, driving license, any utility bill not older than 3 months**
24. Members holding shares in single name and physical form are advised to make nomination in respect of their Shareholding in the Company. The Shareholders who wish to make nomination may send their application in prescribed Form No. SH-13 [under Section 72 of the Companies Act, 2013 and Rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014 which can be obtained from the Company / RTA.
25. Voting through electronic means-Detailed Instructions are given separately.
26. The Scrutinizer shall, immediately after the conclusion of voting at the AGM ,first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make not later than 48 hours from the conclusion of the AGM a consolidated Scrutinizers Report of the total votes cast in favour or against , to the Chairman of the Company ('the Chairman') or to any other person authorized by him, who shall countersign the same. The result declared along with the Scrutinizer's report shall be communicated to the stock exchange, CDSL, and RTA and will also be displayed on the Company's website, www.frontiersprings.co.in
27. The recorded transcript of the forthcoming AGM on September 30,2020 shall also be made available on the website of the Company at www.frontiersprings.co.in ,as soon as possible after the meeting is over.
28. Since the AGM will be held through VC in accordance with the Circulars, the route map, proxy form and attendance slip are not attached to this Notice.

Continued.....

FORTIETH ANNUAL GENERAL MEETING NOTICE

ANNEXURE TO NOTICE

BRIEF PROFILE OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT/CONTINUANCE OF APPOINTMENT

Particulars	Shri K. L. Bhatia	Shri Kapil Bhatia	Shri Neeraj Bhatia	Shri Keshao P Somkumar
Date of Birth	07/08/1943	07/10/1965	22/06/1967	30/08/1958
Date of first Appointment on the Board	24/02/1981	03/01/1994	22/04/1991	08/02/2020
Qualifications	Electrical Engineer	M.B.A.	B. Com.	B.E. (Mechanical)) M.S. (Design)
Expertise in specific functional area	Over all Decision Making and Administration	Finance & Administration	Production & Marketing	Quality Control, Material Science, Product Maintainece Sustainability.
Terms and conditions of re-appointment	As per Company's	Nomination &	Remuneration	Policy
Remuneration Last Drawn	As Mentioned in the	Corporate	Goverance	Report
Other Directorships	3	NIL	NIL	NIL
Chairman/ Member of Committee of the Board of other Companies of which he/she is a Director	NIL	NIL	NIL	NIL
Shareholding in Frontier Springs Ltd. as on 31st March, 2020	2,38,500 Equity shares	6,08,139 Equity shares	5,52,430 Equity shares	NIL
Relationship with other directors and KMP's of the Company	As mentioned in the Corporate Goverance Report (forming part of Annual Report 2019-20)	As mentioned in the Corporate Goverance Report (forming part of Annual Report 2019-20)	As mentioned in the Corporate Goverance Report (forming part of Annual Report 2019-20)	As mentioned in the Corporate Goverance Report (forming part of Annual Report 2019-20)
No.of Board Meetings attended during the financial year 2019-20	4 (For details	4 please refer	4 to the	1 Corporate Goverance Report

STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.

Item Nos. 4 to 6

The Board of Directors of the Company upon the recommendations of the Nomination & Remuneration Committee, re-appointed Shri Kundan Lal Bhatia, Chairman Cum Managing Director, Shri Kapil Bhatia, Managing Director, Shri Neeraj Bhatia as a Whole Time Director of the Company for a further period of five years with effect from 1st April, 2020, 5th January 2020, 1st April 2020 respectively on the terms and conditions provided in their respective resolutions which are in line with the provisions of Sections 196, 197 and Schedule V of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Shri K.L Bhatia, Chairman Cum Managing Director, Shri Kapil Bhatia, Managing Director & Shri Neeraj Bhatia,

Whole Time Director of the Company have made significant contribution to the Company's growth and implementation of investment plans and business strategies. Their contribution has been valuable and in the opinion of the Board all the appointees have adequate experience and expertise to discharge their functional responsibilities. Their re-appointment as Managing Directors and Whole Time Director of the Company was considered to be in the best interests of the Company. Shri K.L Bhatia has attained the age of seventy years, therefore, as per the provisions of Section 196 of the Companies Act, 2013, it is intended to seek approval of the members by way of special resolution, for his re-appointment as Chairman Cum Managing Director of the company.

The Board recommends the resolutions placed at item Nos. 4 to 6 of the Notice for approval of members.

STATEMENT PURSUANT TO CLAUSE (B) OF SECTION II OF PART II OF SCHEDULE V READ WITH OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES

GENERAL INFORMATION

(i) Nature of Industry	Manufacture of Railway Springs & Other Springs	
(ii) Date or expected date of Commencement of commercial production.	N.A., As the company is in operation for more than 38 years	
(iii) In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	N.A.	
(iv) Financial performance based on the given indicators for the financial year ended 31 st March, 2020	Particulars	(Rs. in Lacs)
	Turnover	10077.73
	Profit /Net (Loss)	1404.06
	Net worth (excluding Revaluation reserve)	5132.39
	Book Value per Equity Share (excluding revaluation reserve)	130.32
(v) Export Performance and Net Foreign Exchange Earnings	NIL	
(vi) Foreign Investment or Collaborations, if any	NIL	

II. INFORMATION ABOUT THE APPOINTEES:

Name	Background details/ recognition awards	Past Remuneration	Proposed Remuneration	Job Profile and his suitability	Comparative Remuneration	Pecuniary and other relationship with managerial personnel
Shri K.L. Bhatia	Age 77 years, Electrical Engineer having more than 49 years of experience.	150000/- p.m + perquisites + incentive subject to maximum limits as specified under Companies Act, 2013	150000/- p.m + perquisites + incentive subject to maximum limits as specified under Companies Act, 2013	Managerial The experience and past performance makes him most suitable for the position of Chairman –Cum Managing Director of the Company.	Remuneration is commensurate with similar size of Company and the prevailing Industry trends.	Drawing remuneration in capacity of Managerial personnel. Related to the Directors of the Company.

FORTIETH ANNUAL GENERAL MEETING NOTICE

Name	Background details/ recognition awards	Past Remuneration	Proposed Remuneration	Job Profile and his suitability	Comparative Remuneration	Pecuniary and other relationship with managerial personnel
Shri Kapil Bhatia	Age 55 years, MBA having more than 27 years of experience in Management and Finance	700000/- p.m + perquisites + incentive subject to maximum limits as specified under Companies Act, 2013	700000/- p.m + perquisites + incentive subject to maximum limits as specified under Companies Act, 2013	Managerial The experience and past performance makes him most suitable for the position of Managing Director of the Company.	Remuneration is commensurate with similar size of Company and the prevailing Industry trends.	Drawing remuneration in capacity of Managerial personnel. Related to the Directors of the Company.
Shri Neeraj Bhatia	Age 53 years, B.Com having more than 25 years of experience in Marketing and Finance	700000/- p.m + perquisites + incentive subject to maximum limits as specified under Companies Act, 2013	700000/- p.m + perquisites + incentive subject to maximum limits as specified under Companies Act, 2013	Managerial The experience and past performance makes him most suitable for the position of Whole-Time Director of the Company.	Remuneration is commensurate with similar size of Company and the prevailing Industry trends.	Drawing remuneration in capacity of Managerial personnel. Related to the Directors of the Company.

The Board is of the view that the proposed remuneration is fair and reasonable having regard to the qualifications and experience of the appointee and in line with the prevailing Industry trends which is imperative to attract and retain the best management talent.

The Board is of the opinion that the aforesaid appointees have requisite qualifications, expertise and experience which would be reflected in the sustained financial, overall administration and operational performance of the Company.

III. OTHER INFORMATION:

(i) Reasons for Loss or inadequate Profits:

The Company has earned Net Profit of Rs. 1404.06 lacs for the financial year ended 31st March, 2020 and the remuneration paid to appointee is within the ceiling limits prescribed under Section II of Part II of Schedule V of the Companies Act, 2013. The inadequacy in the Net Profits is mainly on account of general industrial slowdown, extremely competitive market conditions resulting in squeezed margins and sluggish demand from railways.

(ii) Steps taken or proposed to be taken for improvement:

Cost control measures coupled with productivity improvement and market development initiatives are in place to improve profitability. Fresh investments in railways announced by the Government is expected to yield positive results for the Company.

(iii) Expected increase in productivity and Profits in measurable terms:

Shri K.L Bhatia, Chairman Cum Managing Director, Shri Kapil Bhatia, Managing Director and Shri Neeraj Bhatia, Whole Time Director have together with other Directors steered the Company successfully in all ups and downs and their contribution is reflected in sustained performance of the Company. The Company expects to improve its performance and achieve new milestones under the stewardship of Shri K.L Bhatia as the Chairman-Cum-Managing Director of the Company and other appointees.

(IV) DISCLOSURES:

The Shareholders of the Company are duly informed of the remuneration package of Managerial Personnel in the Corporate Governance Report forming part of the Annual Report.

Shri K.L Bhatia, Chairman Cum Managing Director, Shri Kapil Bhatia, Managing Director and Shri Neeraj Bhatia, Whole Time Director besides being relatives are interested in the resolution concerning the appointment. No other Director or Key managerial personnel or their relatives are interested financially or otherwise in the resolutions.

The Resolutions along with the accompanying Explanatory Statement may be treated as memorandum of terms of appointment within the meaning of Section 190 of the Companies Act 2013.

Item No.7

The Board of Directors on the recommendation of the Nomination and Remuneration Committee, appointed Shri Keshao P Somkuwar (DIN: 08712772) as an Additional Director (Independent) with effect from 8th February, 2020 to hold office for a period of five consecutive years with effect from 8th February, 2020, not liable to retire by rotation, subject to consent by the Members of the Company at the ensuing Annual General Meeting ('AGM'). As an Additional Director, Shri Keshao P Somkuwar holds office till the date of AGM and is eligible for being appointed as an Independent Director. The Company has received a Notice pursuant to Section 160 of the Companies Act, 2013 ('the Act') together with the requisite amount of deposit from a Member signifying his intention to propose the appointment of Shri Keshao P Somkuwar as a Director of the Company. Shri Keshao P Somkuwar is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has also given his consent to act as a Director of the Company. The Company has also received a Declaration from Shri Keshao P Somkuwar confirming that he meets the criteria of independence as prescribed under the Act and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). In the opinion of the Board, Shri Keshao P Somkuwar fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Regulations and he is independent of the Management. Considering his vast experience, his presence on the Board will be of immense value to the Company. Shri Keshao P Somkuwar is B.E (Mechanical) and MS (Design). He has vast experience in Diesel Sheds. He has rendered his services at DME(D) and Sr. DME(Diesel) at Jhansi and Itarsi diesel sheds.

None of the Directors, Key Managerial Personnel and their relatives except Shri Keshao P Somkuwar himself, is concerned or interested financially or otherwise, in the said resolution.

The Board recommends the ordinary resolution as set out in Item No. 7 of this Notice for your approval.

Item No. 8

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditors as recommended by the Audit Committee and approved by the Board of Directors, has to be ratified by the members of the Company.

The Board of Directors has approved a remuneration of Rs. 50,000 to be paid to the Cost Auditors M/s. R. M. Bansal & Co.

Accordingly, consent of the shareholders is sought for passing Ordinary Resolution as set out at Item No. 8 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31st March, 2021. The Board recommends the Ordinary Resolution set out at Item No. 8 of the Notice for approval by the shareholders. None of the Directors and/or Key Managerial Personnel of the Company and/or their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item No. 8 of the Notice.

Registered Office :
KM 25/4, Kalpi Road, Rania,
Kanpur Dehat-209304
Dated : 05th September, 2020

By Order of the Board
For Frontier Springs Limited
(DHRUV BHASIN)
Company Secretary

FORTIETH ANNUAL GENERAL MEETING NOTICE

A. INSTRUCTIONS FOR SHAREHOLDERS FOR REMOTE E-VOTING ARE AS UNDER:

- (i) The voting period begins on Sunday, September 27, 2020 from 9:00 A.M and ends on Tuesday, September 29, 2020 at 5:00P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 23, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iv) Click on "Shareholders" module.
- (v) Now enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company. Or

Alternatively, if you are registered for CDSL's **EASI/EASIEST** e-services, you can log-in at <https://www.cdslindia.com> from Login - Myeasiusing yourlogin credentials. Once you successfully log-in to CDSL's **EASI/EASIEST** e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

For Shareholders holding shares in Demat Form and Physical Form	
PAN*	<ul style="list-style-type: none"> Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the

	sequence number sent by Company/RTA or contact Company/RTA.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (v).

- (ix) After entering these details appropriately, click on "**SUBMIT**" tab.
- (x) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN of **Frontier Springs Limited** on which you choose to vote.
- (xiii) On the voting page, you will see "**RESOLUTION DESCRIPTION**" and against the same the option "**YES/NO**" for voting. Select the option **YES** or **NO** as desired. The option **YES** implies that you assent to the Resolution and option **NO** implies that you dissent to the Resolution.
- (xiv) Click on the "**RESOLUTIONS FILE LINK**" if you wish to view the entire Resolution details.
- (xv) After selecting the resolution you have decided to vote on, click on "**SUBMIT**". A confirmation box will be displayed. If you wish to confirm your vote, click on "**OK**", else to change your vote, click on "**CANCEL**" and accordingly modify your vote.
- (xvi) Once you "**CONFIRM**" your vote on the resolution, you will not be allowed to modify your vote.

(xvii) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

(xviii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on **Forgot Password** & enter the details as prompted by the system.

(xix) Shareholders can also cast their vote using CDSL’s mobile app “**m-Voting**”. The m-Voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while Remote Voting on your mobile.

(xx) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively Non Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz;c.s@frontiersprings.co.in if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

xxi) Any person who acquires shares of the Company and become member of the Company after dispatch of the Notice and holding shares as on the Cut-off Date i.e September 23,2020 may follow the instructions as mentioned above for e-voting.

xxii) The voting rights of shareholders shall be in proportion to their share of the paid up equity share capital of the Company as on cut off date i.e September 23,2020

xxiii) The Board of Directors appointed Shri Shri S.K Gupta, Practising Company Secretaries (FCS No. 2589) to scrutinize the evoting process in a fair and transparent manner.

xxiv) The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.frontiersprings.co.in and on the website of CDSL e-voting and simultaneously communicated to Stock Exchanges.

PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL ADDRESSES ARE NOT REGISTERED WITH THE DEPOSITORIES FOR OBTAINING LOGIN CREDENTIALS FOR E-VOTING FOR THE RESOLUTIONS PROPOSED IN THIS NOTICE:

1. For Physical shareholders- please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) by email to Company at c.s@frontiersprings.co.in and RTA at rta@alankit.com
2. For Demat shareholders , please provide Demat account details (CDSL-16 digit beneficiary ID or NSDL-16 digit DPID + CLID), Name, client master or copy of Consolidated Account statement, PAN (self attested scanned copy of PAN card), AADHAR (self attested scanned copy of Aadhar Card) to Company at c.s@frontiersprings.co.in and RTA at rta@alankit.com

B. INSTRUCTIONS FOR SHAREHOLDERS ATTENDING THE AGM THROUGH VC/OAVM ARE AS UNDER:

1. Shareholder will be provided with a facility to attend the EGM/AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at <https://www.evotingindia.com> under shareholders/ members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholder/members login where the EVSN of Company will be displayed.

FORTIETH ANNUAL GENERAL MEETING NOTICE

2. Shareholders are encouraged to join the Meeting through Laptops / iPads for better experience.
3. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
4. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request in advance from their registered email address mentioning their name, demat account number/folio number, email id, mobile number at c.s@frontiersprings.co.in from September 27, 2020 (9:00 A.M IST) to September 29, 2020 (5:00 P.M IST). Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.
6. The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance from their registered e-mail id mentioning their name, demat account number/folio number, email id, mobile number at c.s@frontiersprings.co.in. These queries will be replied to by the company suitably by email.

C. INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned

above for Remote e-voting.

2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

If you have any queries or issues regarding attending AGM & e-Voting from the e-Voting System, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com or contact Mr. Nitin Kunder (022-23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to helpdesk.evoting@cdslindia.com or call on 022-23058542/43.

40th Annual Report 2019-20



Frontier Springs Ltd.

(Largest Manufacturer of Springs for LHB Coaches)

Delivering excellence ➤

Contributing in the country's growth...



Frontier Springs Ltd.

Board of Directors



Mr. K.L Bhatia
Chairman



Mr. Kapil Bhatia
Managing Director



Mr. Neeraj Bhatia
Director



Mr. Yashpal
Independent Director



Mrs. Mamta Bhatia
Director



Mrs. Manju Bhatia
Director



Mr. K.P Somkuwar
Independent Director



Mr. R.K Bhatia
Independent Director



Mr. Nimesh Mukerji
Independent Director



Mr. Sarabjit Singh
Independent Director



Frontier Springs Ltd.
VARIOUS TYPES OF SPRINGS
MANUFACTURED BY THE
COMPANY



COMPONENTS MANUFACTURED BY FORGING UNIT



Break Block Hanger



Coach Nut



Wedge RF361



Anti-Roll Bar



Roll Link



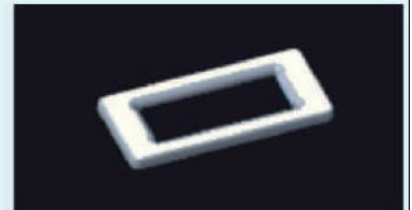
Fork



Top Follower



Wedge SL76



BSS Hanger



PRESTIGIOUS AWARD FOR INNOVATION IN UNDERFRAME ENGINEERING SOLUTIONS AT THE RAIL ANALYSIS
INNOVATION AND EXCELLENCE SUMMIT 2020 BEING RECEIVED
BY SHRI KAPIL BHATIA, MANAGING DIRECTOR,
FRONTIER SPRINGS LIMITED HELD
AT LE MERIDIEN HOTEL, NEW DELHI
ON JANUARY 22, 2020.



IREE 2019

**13 th International Railway
Equipment Exhibition
Global Platform for Railway
Technology , Services &
International Rail Conference
22.10.2019 - 24.10.2019**



ORGANISED BY THE
CONFEDERATION OF INDIAN
INDUSTRY (CII),
IN ASSOCIATION WITH THE MINISTRY
OF RAILWAYS,
GOVERNMENT OF INDIA, THE
INTERNATIONAL RAILWAY
EQUIPMENT EXHIBITION (IREE) IS
THE ONLY INTERNATIONAL EVENT IN
INDIA FOR THE RAILWAY AND ITS
RELATED SECTORS. THE INDIAN
RAILWAYS
PARTICIPATE IN THE IREE IN A BIG
WAY, DISPLAYING THEIR
CAPABILITIES AND FUTURE
REQUIREMENTS. THE IREE
ATTRACTS PARTICIPATION AND
VISITORS FROM AROUND 20
COUNTRIES.

OUR COMPANY ALSO PARTICIPATED
IN THE EXHIBITION AND HAD
VISITORS ACROSS THE GLOBE .

A FEW GLIMPSES OF THE EVENT
ARE AS UNDER :



PLANT VISIT BY SUNFLAG STEEL , NAGPUR & MITSUBISHI , JAPAN

11.12.2019



MSME EXHIBITION , KANPUR ON 16.09.2019





Frontier Springs Ltd.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

Bharat Lok Shiksha Parishad (BLSP) is a charity in India that operates Ekal Vidyalayas, or single-teacher schools, under the Ekal Vidyalaya of India umbrella organization. BLSP operates in Uttar Pradesh, Uttranchal, Himachal Pradesh, Haryana, Punjab and Jammu and Kashmir.

Based in New Delhi, BLSP was established and registered in 1986 by young Vivekananda educationists who began to work with tribal people in the Jharkhand forests. Goals are to eliminate illiteracy among tribal people and improve their social and economic conditions. During the year, Your Company donated a sum of Rs 1,10,000 for three Ekal Vidyalayas.





Frontier Springs Ltd.

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES



**BIRSA MUNDA VANWASI
CHATRAWAS (A TRIBAL HOSTEL)
SERVES THE TRIBAL STUDENTS WHO
ARE UNDER PRIVILEGED &
DEPRIVED OF THE BASIC
NECESSITIES. THE STUDENTS
RESIDING IN THIS HOSTEL BELONG
TO THE AREAS LIKE ASSAM, NEPAL
BORDER, TRIPURA AND SOME
REMOTE AREAS OF UTTAR
PRADESH. DURING THE YEAR; THE
COMPANY CONTRIBUTED A SUM OF
RS 1,00,000 TO THE HOSTEL.
MANAGEMENT OF THE HOSTEL
CONVEYED THEIR THANKFULNESS
TO OUR COMPANY FOR
SUPPORTING THE
TRIBAL STUDENTS.**





CORPORATE SOCIAL RESPONSIBILITY INITIATIVES



The COVID-19 pandemic is the defining global health crisis of our time and the greatest challenge faced since World War Two.

But the pandemic is much more than a health crisis, it's also an unprecedented socio-economic crisis.

It has the potential to create devastating social, economic and political effects that is leaving deep and longstanding scars. Your company has donated a sum of Rs 3,75,000 for supply of PPE Kits to Sanjay Gandhi Post Graduate Institute of Medical Sciences; Lucknow.



FRONTIER SPRINGS LIMITED

ANNUAL REPORT 2019-2020

BOARD OF DIRECTORS

Shri Kundan Lal Bhatia, *Chairman & Managing Director*

Shri Kapil Bhatia, *Managing Director*

Shri Neeraj Bhatia, *Whole Time Director*

Smt Mamta Bhatia, *Whole Time Director*

Smt Manju Bhatia, *Whole Time Director*

Shri Sarabjit Singh, *Independent Director*

*Shri R. N. Trivedi, *Independent Director*

Shri Yashpal, *Independent Director*

Shri R. K. Bhatia, *Independent Director*

Shri Nimesh Mukerji, *Independent Director*

Shri K. P. Somkuwar, *Independent Director*

*Shri R. N. Trivedi, *ceased to be a Director (w.e.f. 20.08.2019)*

COMPANY SECRETARY & COMPLIANCE OFFICER

Shri Dhruv Bhasin

AUDITORS

M/s. Sanjeevani Raizada & Co.

Chartered Accountants

Off No. 229, 2nd Floor,

63/2, City Centre,

The Mall,

Kanpur - 208 004

BANKERS

State Bank of India

REGISTRAR AND SHARE TRANSFER AGENT

M/s. Alankit Assignments Limited

205-208, Anarkali Complex,

Jhandewalan Extension

New Delhi-110 055

REGISTERED OFFICE

Km 25/4, Kalpi Road,

Rania, Kanpur-Dehat 209 304 (U.P.)

CORPORATE OFFICE

E-14, Panki Industrial Area,

Site-1, Kanpur-208 022 (U.P.)

PLANTS

i) Km 25/4, Kalpi Road, Rania,
Kanpur Dehat - 209 304 (U.P.)
(Springs & Forging Unit)

ii) Rampur Ghat Road, Village Kunja,
Tehsil Poanta Sahib, Distt. Sirmour
H. P.
(Springs & Roofing Unit)

CONTENTS

Page No.

Directors' Report	2
Management Discussion & Analysis	8
Report on Corporate Governance	9
Secretarial Audit Report	21
Auditors' Report	34
Balance Sheet	42
Profit & Loss Account	43
Cash Flow Statement	44
Significant Accounting Policies	49
Notes on Financial Statement	53

FORTIETH ANNUAL REPORT

DIRECTORS' REPORT

Dear Shareholders,

Your Directors have pleasure in presenting the Fortieth Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2020.

FINANCIAL RESULTS

The summarized financial results of the Company for the year ended 31st March, 2020 as compared to the preceding year are as under:

(Rs. in Lacs)

Particulars	2019-20	2018-19
Income from Operations/ Turnover	10,077.73	8,383.67
Profit Before Interest, Depreciation and Tax	2,060.52	1,334.92
Interest	64.92	83.15
Depreciation	239.37	221.58
Profit Before Tax	1,756.23	1,030.19
Income Tax :		
Current year Tax	309.90	227.07
Deferred Tax	42.27	(37.16)
Net Profit	1,404.06	840.28
Other Comprehensive Income (after Tax)	(1.32)	11.16
Total Comprehensive Income for the period	1,402.74	851.44
Proposed Dividend	43.32	39.38
Dividend Distribution tax paid	0.00	6.82
Dividend Distribution Tax (F.Y 2018-19)	1.37	0.00
Corporate Social Responsibility Exps.	2.10	0.00
Balance available for appropriation	1,355.95	805.24
Surplus B/F from Previous Year	3,380.32	2,575.08
Transfer to General Reserve	0.00	0.00
Surplus carried to Balance sheet	4736.27	3380.32

REVIEW OF OPERATIONS

The financial statements for the year ended 31st March, 2020 forming part of this Annual Report, have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs.

The year under review had been a landmark in the history of company as it crossed turnover of Rs. 100 crores. The performance has been exceptional as revenue and profits mounted new heights. The operations of the company during the financial year under review improved with turnover of Rs.10,077.73 Lacs as against Rs. 8,383.66 Lacs in preceding year. The net profit during the year was higher at Rs.1,404.06 Lacs as against Rs. 840.28 Lacs in the preceding year. The improvement in the turnover and profitability had been mainly on account of growth in demand, improvement in the operational efficiencies and cost cutting measures.

The performance of the company during the current year continues to be encouraging and barring unforeseen circumstances, your Directors expect your company to achieve better results during the current year as well.

SHARE CAPITAL

As on 31.03.2020, Your Company has total share Capital of Rs. 3,93,85,110 divided into 3938511 Equity shares of Rs. 10/- each.

DIVIDEND

Your Directors are pleased to recommend for approval of the members, a dividend of ₹ 1.1/- per share (i.e @ 11%) on Equity Shares of Rs. 10/- each of the Company.

EXPANSION

Your company plans to buy a Six Ton Hammer in this financial year as a result of which we will be able to forge new products which was not possible due to capacity constraints. The installation of this hammer will increase the turnover and profitability of the company in the years to come. We have also signed an agreement with Crescendo Worldwide. Crescendo Worldwide is an International Trade & FDI Generating Organization based in India which has presence in 22+ countries and aims at Supporting SME & Large companies for growing business globally. The orders for manufacturing of Springs/Forging for Linke-Hofmann Busch (LHB) coaches and Electric Locomotives Springs such as WAP-7 and WAG-9 which were being imported till date by Indian Railways continues manifold. The demand for products developed by the Forging Unit namely Anti Roll Bar, Anti Roll Bar Bracket and Roll Link used in the manufacturing of LHB Coaches continues to rise. The orders in the pipeline are good. We have been approved by Bombardier Inc for supply of Coil Springs for Metro Coaches. Bombardier Inc is engaged in the manufacturing of metro coaches and has its presence worldwide.

SUBSIDIARY COMPANY / ASSOCIATE / JOINT VENTURE COMPANY

The Company has no Subsidiary, Associate and Joint Venture Companies and as such the requirement

of furnishing the information relating to the financial position of Subsidiary, Associate and Joint Venture Companies is not applicable.

DIRECTORS

Pursuant to the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company Shri Neeraj Bhatia (DIN: 00582395), Director of the Company retires from the Board by rotation, at the ensuing Annual General Meeting of the Company and being eligible he has offered himself for re-appointment.

The Board had re-appointed Shri K.L Bhatia, Chairman Cum Managing Director, Shri Kapil Bhatia, Managing Director and Shri Neeraj Bhatia as Whole-time Director of the Company for a further period of five years w.e.f. April 1, 2020; January 5, 2020 and April 1, 2020 respectively and the matter is placed for approval of the shareholders of the Company at the ensuing Annual General Meeting.

Appropriate Resolutions(s) seeking your approval for appointment/re-appointment of the directors are placed in the Notice of ensuing Annual General Meeting.

During the year under review Shri R.N Trivedi, Independent Director of the Company expired on 20.08.2019 and Shri K.P Somkuwar was appointed as an Independent Director with effect from 08.02.2020

Shri K.P Somkuwar has submitted to the Board a declaration that he meets the criteria of Independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations.

KEY MANAGERIAL PERSONNEL

As per the provisions of Section 203 of the Companies Act, 2013 the following persons were designated as Key Managerial Personnel and there had been no change in KMP during the year under review :

S.No.	Name	Designation
1)	Shri Kapil Bhatia	Managing Director
2)	Shri Dhruv Bhasin	Company Secretary
3)	Shri Neeraj Bhatia	Chief Financial Officer

DECLARATION FROM INDEPENDENT DIRECTORS

The company had received the declarations u/s 149(7) of the Companies Act, 2013 from all Independent Directors that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations.

MEETINGS OF THE BOARD

Four meetings of the Board of Directors were held during the year, the details of which are given in the Corporate Governance Report that forms part of this Annual

Report. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013 and the SEBI (Listing Obligations & Disclosure Requirements) 2015.

BOARD EVALUATION

The Board of Directors at its meeting held on 8th February, 2020 has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to provisions of the Act. Performance Evaluation of Independent Directors was done by the entire board, excluding the director being evaluated. The Evaluation Process was conducted through a structured questionnaire prepared after taking into consideration the various aspects laid down under the Nomination and Remuneration Policy of the Company. The Board of Directors expressed satisfaction with the evaluation process.

In a Separate meeting of Independent Directors held on 8th February, 2020, performance of non-independent directors, the Chairman of the Company and the Board as a whole was evaluated taking into account the views of Executive and Non-Executive Directors.

CORPORATE GOVERNANCE

The new Companies Act, 2013 have strengthened the governance regime in the country. Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. We consider stakeholders as partners in our success, and we remain committed to maximizing stakeholders' value, be it shareholders, employees, suppliers, customers, investors, communities or policy makers. The business conduct can be ethical only when it rests on the six core values of Customer Value, Ownership, Mindset, Respect, Integrity, One Team and Excellence. In line with the requirements of these core values and new law, the Company through its Board and Committees endeavors to strike and deliver the highest governing standards for the benefits of its stakeholders.

As required under Schedule V to the Listing Regulations, a separate section on Corporate Governance together with certificate from M/s P. Manghwani & Associates, Practicing Company Secretaries, confirming compliance of the conditions of Corporate Governance, forms an integral part of this report and is annexed as 'Annexure A'.

COVID-19

The outbreak of Covid 19 and the full closure of your company's operations from the 22nd of March, 2020 affected the year end performance. However, your company resumed its operations partially on the 24th of April, 2020 gradually ramping up over the last three months and are glad to report that it is now fully operational.

COMPANYS' POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The current policy is to have an appropriate mix of Executive and Independent directors to maintain the independence of the Board, and separate its functions of governance and management. The Company has duly constituted the Nomination and Remuneration Committee of the Board and the committee interalia periodically evaluates:

1. The need for change in composition and size of the Board;
2. Recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance.
3. Recommend the policy for remuneration of Directors, KMPs & others senior level employees of the Company and review the same in accordance with the performance of the Company and industry trend.

The Nomination & Remuneration Policy of the Company is available on the website of the Company at the link <http://frontiersprings.co.in/downloads/Nomination%20and%20Remuneration%20Policy.pdf> There has been no change in the policy during the year under review. We affirm that the remuneration paid to the Directors is as per the terms laid out in the Policy.

AUDITORS AND AUDITORS' REPORT

(1) STATUTORY AUDITORS

M/s. Sanjeevani Raizada & Co., (FRN:021960) Chartered Accountants, were appointed as Statutory Auditors of the Company at the 37th Annual General Meeting of the Company held on 28.09.2017 who shall hold office till conclusion of the 42nd Annual General Meeting in accordance with the provisions of Companies Act, 2013.

Their appointment was subject to ratification by the members at every Annual General Meeting to be held there after during their tenure of office. However, pursuant to the amendments made to Section 139 of the Companies Act, 2013 by the Companies (Amendment) Act 2017, the requirement of seeking ratification of the Members for the appointment of Statutory Auditors has been withdrawn. The Auditors have confirmed that they are not disqualified from continuing as Statutory Auditors of the Company.

(2) COST AUDITORS

Pursuant to the Rules made by the Central Government of India, the Company is required to maintain cost records as specified under Section 148 (1) of the Companies Act, 2013 in respect of its products and accordingly such accounts and records

are made and maintained M/s. R. M. Bansal & Co., Cost Accountants (Firm Regn. No.: 000022), have been appointed as Cost Auditors of the Company to conduct the audit of the Cost Accounts of the Company, for the financial year 2020-21. As required under the Companies Act, 2013, the resolutions seeking Members' ratification for the remuneration payable to Cost Auditors forms part of the Notice convening the Annual General Meeting.

(3) SECRETARIAL AUDITORS

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 M/s P. Manghwani & Associates, Practicing Company Secretary as Secretarial Auditor of the Company for the year 2019-20. The Secretarial Audit Report for the year ended 31st March, 2020 is annexed herewith as 'Annexure-B' to this report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

(4) INTERNAL AUDITORS

Pursuant to provisions of Section 138 read with Rule 13 of Companies (Accounts) Rules 2014, your Company engaged the services of M/s J Chandra & Associates, Chartered Accountants, Kanpur, to conduct the Internal Audit of the functions and activities of the Company for the Financial Year 2019-20. The Internal Audit Report is placed before the Audit Committee of the Company, at regular intervals.

EXTRACT OF ANNUAL RETURN

The extracts of the Annual Return in Form MGT-9 as required under Section 92(3) of the Companies Act, 2013 read with Rule 12(1) of the Companies (Management & Administration) Rules 2014 is included in this report as 'Annexure-C' and forms an integral part of this Report.

REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or Board under Section 143(12) of the Act and Rules framed there under.

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Pursuant to Regulation 34(2) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations), a Management Discussion & Analysis Report is annexed and forms part of this Annual Report.

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

Information as per Section 134(3)(m) of the Companies Act, 2013 read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 relating to conservation of energy, technology absorption and foreign exchange earnings and outgo for the financial year 2019–20 is annexed as 'Annexure D' which forms part of this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of Section 134(5) of the Companies Act, 2013 the Board of Directors, to the best of their knowledge and ability in respect of the financial year ended on 31st March, 2020 confirm that:

- 1) in the preparation of the Annual Accounts, the applicable Accounting Standards had been followed along with proper explanation relating to material departures;
- 2) they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- 3) they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- 4) they have prepared the Annual Accounts of the Company on a going concern basis.
- 5) they have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- 6) they have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

CORPORATE SOCIAL RESPONSIBILITY

Your Company is committed to focus on inclusive growth and improving lives by contributing towards communities around which it operates. The CSR Committee of the Board of Directors identifies the areas which require actions to be taken by the Board of Directors. During the year under review the Committee was reconstituted and the composition is disclosed in the detailed report which forms part of this report.

Annual report on CSR as required under rule 8(1)

of the Companies (Corporate Social Responsibility) Rules, 2014 is annexed with this report as 'Annexure E'.

The CSR Policy has been uploaded on the Company's website and may be accessed at http://frontiersprings.co.in/downloads/FSL_Corporate%20Social%20Responsibility%20Policy-.pdf

FIXED DEPOSITS

During the year under review, the Company has neither accepted nor renewed any deposits from public in terms of provisions of Section 73 and 76 of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules 2014.

The Company did not accept any unsecured loans from Directors during the year.

PARTICULARS OF EMPLOYEES

None of the employees of the Company was in receipt of remuneration in excess of the limits prescribed under Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014)

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS BY THE COMPANY

Your Company has not given any loans and guarantees or provided security attracting provisions of Section 186 of the Companies Act, 2013. However the details of investments made are provided in the Note No.2 of the Notes to the Financial Statements for the year ended 31st March, 2020.

LISTING

The Equity Shares of Company continued to be listed at BSE Limited and the Annual Listing has been paid up-to date.

INTERNAL FINANCIAL CONTROL AND THEIR ADEQUACY

The Company has in place internal financial control systems, commensurate with the size of the Company and the nature of its business, with reference to financial statements. The Audit Committee of the Board of Directors regularly reviews the adequacy and effectiveness of Internal Control Systems and suggests improvement to strengthen them.

COMPLIANCE WITH SECRETERIAL STANDARDS

During the year under review, the Company has duly complied with the applicable provisions of the Secretarial Standards on Meetings of the Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

COMPOSITION OF AUDIT COMMITTEE, VIGIL MECHANISM & RISK MANAGEMENT

The composition of Audit Committee is in line with

the provisions of Section 177 of the Act read with Regulation 18 of the SEBI (Listing Obligations and Disclosure Requirements) 2015. The Audit Committee comprises of five members and all members are Independent Directors. The Company Secretary is the Secretary of the Committee. All transactions with related parties are on arms' length basis. During the year, there are no instances where the Board had not accepted the recommendations of the Audit Committee. The Company has in place a vigil mechanism for Directors and Employees, to report genuine concerns about any wrongful conduct with respect to the Company or its business or affairs. This policy covers malpractices, misuse or abuse of authority, fraud, violation of the Company's policies or rules, manipulations, negligence causing danger to public health and safety and other matters or activity on account of which the interest of the company is affected or likely to be affected and formally reported by whistle blowers. If an investigation leads the Chairman of the Audit Committee shall recommend to the management of the Company to take such disciplinary or corrective action as he may deem fit.

RISK MANAGEMENT

Risk is an inherent factor in business cycle and cannot be avoided. However, proper planning and checks lead to risk mitigation. The Audit Committee has also been delegated the responsibility for monitoring and reviewing risk management, assessment and minimization procedures, developing, implementing and monitoring the risk management plan and identifying, reviewing and mitigating all elements of risks which the Company may be exposed to. The Board also reviews the risk management, assessment and minimization procedures. Further, in accordance with SEBI Regulations, a Risk Management Committee has also been formed which also oversees the risk management of the company.

The Risk Management Policy has been uploaded on the Company's website and may be accessed at the link <http://frontiersprings.co.in/downloads/Risk%20Mangement%20Policy.pdf>.

INSIDER TRADING

In compliance with the provisions of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and to preserve the confidentiality and prevent misuse of unpublished price sensitive information, the Company has adopted a Code of Conduct to Regulate, Monitor and Report Trading by Insiders ('Insider Trading Code') and a Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information (Code of Fair Disclosure')

The Insider Trading Code is intended to prevent misuse of unpublished price sensitive information by

insiders and connected persons and ensures that the Directors and specified persons of the Company and their dependents shall not derive any benefit or assist others to derive any benefit from access to and possession of price sensitive information about the company which is not in the public domain, that is to say, insider information.

The Code of Fair Disclosure ensures that the affairs of the Company are managed in a fair, transparent and ethical manner keeping in view the needs and interest of all the stakeholders.

POLICY ON SEXUAL HARRASMENT

Prevention and control of sexual harassment at workplace constitutes an important part of corporate culture while aligning with best practices and improving management processes. The company has zero tolerance for sexual harassment at workplace and has adapted a policy on prevention, prohibition and redressal of sexual harassment at workplace with a mechanism of lodging complaints and has constituted an Internal Complaints Committee in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules framed there under. No complaints were reported to the Board for sexual harassment of women at work place during the financial year 2019–20.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THESE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

No material changes and commitments affecting the financial position of the Company occurred from the end of the financial year 2019–20 till the date of this Report. Further, there was no change in the nature of business of the Company.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

During the year under review, there were no significant and material orders passed by the Regulators, or Courts or Tribunals which would impact the going concern status of the Company and its future operations.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES

During the financial year under review, the transactions entered into with related parties were in the ordinary course of business and on an arm's length basis and they were placed before the Audit Committee as also to the Board for approval Omnibus approval from the Audit Committee was obtained on Annual basis for transactions of repetitive nature. During the year, the

Company had not entered into any contract, arrangement/transaction with related parties which could be considered material in accordance with the Company's related party transaction policy.

Accordingly, the disclosure of Related party transaction as required under Section 134(3)(h) of the Companies Act, 2013 in form AOC-2 is not applicable. The related party transactions are disclosed under Note No.33 of the Notes to the financial statements for the year ended 31st March, 2020.

ACKNOWLEDGEMENTS

Your Directors take this opportunity to place on record appreciation for the co-operation and support extended by various departments of the Central and State Governments(s), Bankers and Business associates.

Your Directors also place on record their appreciation for the contribution made by employees at all the levels, Officers, Staff and Workmen. The consistent growth of your Company was made possible by their hard work, cooperation and support. Your Directors also take this opportunity to place on record their gratitude to the Members for their continued support and confidence with the company.

For and on behalf of the Board

KUNDAN LAL BHATIA

*Chairman cum Managing
Director*

(DIN No. 00581799)

Place : Kanpur
Date : 13.08.2020

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**INDUSTRY STRUCTURE & DEVELOPMENTS**

The Company is engaged in manufacture of Coil Springs, Leaf Springs, LHB Springs and forging items. During the year under review, the Company has responded to the challenges by enhancing Customer focus and expanded its business by procuring the profitable orders by building the efficient sales and prompt delivery. The company plans to install a Six Ton Hammer in the current financial year as a result of which we will be able to forge new products which was not possible due to capacity constraints. We have been approved by Bombardier Inc for supply of Coil Springs for Metro Coaches. The Company is optimistic about the long term opportunities while at the same time meeting the short term challenges hence best internal preparedness is being made to aggressively grab the opportunities and to take maximum advantage of such opportunities.

OPPORTUNITIES & THREATS

During the year under review, the Company has signed an agreement with Cresendo Worldwide. Cresendo Worldwide is an International Trade and FDI generating organization in India which has its presence globally and help boost our sales and procured many profitable orders from Indian Railways, BHEL BEML and other heavy industries and is expected to continue with the same. In the emerging competitive scenario, there is a compelling need to improve the global competitiveness of the various businesses to handle the competitive forces and to secure the customer base. The Company is emphasizing on stringent quality control measures to accelerate continuous growth for supply orders of the Company's product.

PRODUCTWISE PERFORMANCE

The Company's position as the market leader is due to its persistent efforts and emphasis in the areas like product quality, introduction of new products through in-house development, competitive pricing and extremely competitive cost structure, continuous product improvement and dynamic approach to situation. In future, Company is firm, with its object of serving the end user of Company's product in an efficient and timely manner.

RISKS AND CONCERNS

In the coming decade, the main focus would be on enhancing efficiency and productivity, and on innovation driven by changing customer demands. Price sensitivity of the Indian consumer, cost optimization needs of manufacturers and increasing focus on environmental concerns will drive critical changes in market.

Currently, the Company perceives the following main business risks:

- a) Exposed to volatility in raw material prices;
- b) Pressure on selling price due to increase in competition.

Company is trying to work out long term contracts with suppliers with a view to ensure uninterrupted supply of input feed mix. The assets, buildings, plant & machinery and stock of the Company are adequately insured.

OUTLOOK

In the back of significant market, opportunities described earlier, the outlook for the coming year is extremely promising. Your Directors are of view that if conscious strategy to reduce production cost and development of new products is being followed, coupled with the supportive markets, financial performance of the Company shall stage a turn around.

INTERNAL CONTROL SYSTEM AND ADEQUACY

The Company is committed to maintain internal control systems and procedures designed to provide reasonable assurance for orderly and efficient conduct of business and security of its assets. Actual performance is constantly monitored by the management. The Company has a well-defined Organization Structure and authority level. The internal control system is supplemented by an extensive review by the management and documented policies, guidelines and procedures.

HUMAN RESOURCE

The Company believes that its employees are a vital resource in the current business environment. To ensure that this resource plays important role in the performance of the Company, the company is pursuing the following:

- It is engaged in providing continuous training and all round exposure to its people.
- It is inviting suggestions from all the employees on regular basis and is also engaged in obtaining feedback in a meaningful way from time to time.
- It is ensuring proper empowerment of employees to foster a sense of ownership among them.

In brief, it is providing an opportunity to all employees to utilize their full potential and grow in the Organization.

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate governance guidelines and best practices have evolved over a period of time. We, at Frontier Springs Limited, believe that as we move towards achieving our growth targets, our Corporate Governance processes must adhere to the globally benchmarked standards and sound corporate governance is critical in enhancing and retaining investor trust. Accordingly, we always seek to ensure that we attain our performance goals with integrity. Our Board exercises its fiduciary responsibilities in the widest sense of the term. We always ensure timely and accurate disclosure of information regarding the financial situation, performance, ownership and governance of the Company. Our Corporate Governance practices are driven by timely disclosures; transparent accounting policies and high levels of integrity in decision-making. All our steps helps in protecting the long-term interests of all our stakeholders.

2. BOARD OF DIRECTORS:

A. Composition and category of Board of Directors ,Attendance at Board Meetings, at last Annual General Meeting and details of Membership of other Boards/Committees:

As on 31st March, 2020, the Board of Frontier Springs Limited consisted of three Whole Time Directors and five Non-Executive Directors all of whom are Independent Directors and two Woman Directors. The composition of the Board and other relevant details relating to Directors during the Financial Year 2019-20 are as under:

Name of Director(s)	Category	No. of Board Meeting Attended	Whether attended last AGM	No. of other Director-ship	No. of other Committee Chairman-ship	No. of other Committee Member ship
Shri Kundan Lal Bhatia (DIN : 00581799)	Promoter-Executive	4	Yes	3	1	–
Shri Kapil Bhatia (DIN : 00582337)	Promoter-Executive	4	Yes	–	–	–
Shri Neeraj Bhatia (DIN : 00582395)	Promoter-Executive	4	Yes	–	–	–
Smt Mamta Bhatia (DIN : 03480368)	Promoter-Executive	4	Yes	–	–	–
Smt. Manju Bhatia (DIN : 03480362)	Promoter-Executive	4	Yes	–	–	–
Shri R.N Trivedi* (DIN : 03243439)	Non Executive & Independent	1	N/A	1	–	3
Shri Yashpal (DIN : 00929185)	Non Executive & Independent	4	Yes	1	2	4
Shri R. K. Bhatia (DIN : 00958948)	Non Executive & Independent	2	No	–	–	3
Shri Sarabjit Singh (DIN : 07705856)	Non Executive & Independent	4	Yes	–	1	4
Shri Nimesh Mukerji (DIN : 07705885)	Non Executive & Independent	3	Yes	–	–	3
Shri K. P. Somkuwar (DIN : 08712772)	Non Executive & Independent	1	N/A	–	–	3

*Shri R.N Trivedi expired on 20.08.2019.

Shri K.P Somkuwar was appointed as an Additional (Independent) Director on 08.02.2020.

Mr. K.L. Bhatia is paternal uncle of Mr. Kapil Bhatia & Mr. Neeraj Bhatia. Mrs. Mamta Bhatia is wife of Mr. Kapil Bhatia; Mrs. Manju Bhatia is wife of Mr. Neeraj Bhatia.

FORTIETH ANNUAL REPORT

The number of Directorships, Committee Membership(s)/Chairmanship (s) of all directors is within respective limits prescribed under the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015(herein after referred to as 'Listing Regulations').

Re-appointments:

Mr. Neeraj Bhatia is the Director retiring by rotation at ensuing Annual General Meeting and is eligible for re-appointment.

In view of able leadership and valuable guidance received from him, your Directors recommend his re-appointment.

Profile of the Director being re-appointed:

Mr. Neeraj Bhatia aged about 53 years graduated from Chhatrapati Shahuji Maharaj University, was appointed as Whole Time Director of the Company w.e.f. 22/04/1991. He has a optimistic vision which has really brought about a marked change in the overall production and marketing of the company. He has also contributed in improving the marketing strategies Mr. Neeraj Bhatia holds 552430 equity shares of the Company.

Other Companies Directorship: He does not hold directorship in any other company.

Mr. Kundan Lal Bhatia, Mr. Kapil Bhatia, Mr. Neeraj Bhatia, Mrs. Mamta Bhatia and Mrs. Manju Bhatia are relatives. Save and except the above, none of the other Directors relate, in any way, financially or otherwise.

B. Details of Board Meetings held during the year 2019-20:

During the year 2019-20, Four Board Meetings were held. The details of meeting are as under:-

S. No.	Date of Board Meeting	Board Strength	No. of Members Present
1.	27th May, 2019	10	9
2.	14th August, 2019	10	8
3.	14th November, 2019	10	10
4.	8th February, 2020	10	9

The Company provides the information as set out in Regulation 17 read with Part A of Schedule II to Listing Regulations to the Board and the Board Committees to the extent it is applicable and relevant.

The list of core skills/expertise competencies identified by the Board of Directors as required in context of Company's business operations for it to function effectively and those actually available with the Board are as follows:

- 1) Knowledge of Finance and related aspects
- 2) Marketing Channels
- 3) Industry Specific Knowledge and Experience
- 4) Risk Mitigation
- 5) Attributes such as Integrity, Accountability.

C. Terms and conditions of appointment of Independent Directors

The terms and conditions of appointment of Independent Directors have been mentioned in the appointment letters.

D. Familiarisation programmes for Board members

The Board Members are provided with necessary documents / brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Board and Board Committee Meetings on business and performance updates of the Company, business strategy and risks involved. Quarterly updates on relevant statutory changes and landmark judicial pronouncements encompassing important laws are regularly circulated to the Directors.

In compliance of the Regulation 25(7) of the Listing Regulations, the Company has adopted the familiarization

programme for independent directors with an aim to provide to the independent directors insight in their roles, rights, responsibilities in the company, nature of industry in which the company operates, business model of the company etc.

E. Separate Meeting of the Independent Directors

During the year ended 31st March, 2020 one Independent Directors Meeting was held on 08.02.2020. At the meeting, the Independent Directors inter alia :

- 1) Evaluate performance of Non-Independent Directors and the Board as a Whole;
- 2) Evaluate the performance of the Chairman of the Company, taking into account the views of Executive and Non-Executive Directors;
- 3) Evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

Mr. Yashpal, Mr. K.P Somkuwar, Mr. Sarabjit Singh, Mr. Nimesh Mukerji and Mr. R.K. Bhatia were present at the meeting.

F. Confirmation by the Board

In the opinion of the Board, the Independent Directors fulfill the conditions specified in Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations and are independent of the management.

G. Code of Conduct

In compliance with Regulation 17(5) of the Listing Regulations, the Company's Board has laid down a code of conduct for all Board Members and Senior Management Personnel of the Company. All of them have affirmed compliance with the Code of Conduct. A declaration to this effect, signed by Shri Kundan Lal Bhatia, Chairman Cum Managing Director of the Company is enclosed at the end of this report.

3. AUDIT COMMITTEE:

- A. Audit Committee
- B. Nomination and Remuneration Committee
- C. Stakeholder's Relationship Committee.
- D. Corporate Social Responsibility Committee.

A. AUDIT COMMITTEE:

The Company has an Audit Committee constituted in accordance with the Corporate Governance Requirements. As on 31st March, 2020 the Audit Committee consisted of Directors namely Mr. Sarabjit Singh, Chartered Accountant as Chairman and Mr. Yashpal, Mr. Nimesh Mukerji, Mr. K.P. Somkuwar and Mr. R.K. Bhatia as members. The Committee's constitution and terms of reference are in compliance with provisions of Section 177 the Companies Act, 2013 read with Regulation 18(3) read with Part C of Schedule II to the Listing Regulations.

During the financial year ended 31st March, 2020, four Audit Committee meetings were held on 27th May, 2019; 14th August, 2019; 14th November, 2019 and 8th February, 2020. The details of the meetings are as under:-

Details of the Attendance at the Meetings are as follows:

S. No.	Name of the Director	Category	No. of Committee Meeting during the tenure	
			Held	Attended
1.	Mr. Sarabjit Singh, Chairman	Non-Executive/Independent	4	4
2.	Mr. Yashpal	Non-Executive/Independent	4	4
3.	*Mr. R.N. Trivedi	Non-Executive/Independent	2	1
4.	Mr. R.K. Bhatia	Non-Executive/Independent	4	2
5.	Mr. Nimesh Mukerji	Non-Executive/Independent	4	3
6.	Mr. K.P Somkuwar	Non-Executive/Independent	1	1

* Mr. R.N Trivedi expired on 20.08.2019. During his tenure two meetings were held.

Mr. Sarabjit Singh, Chairman of the Audit Committee was present at the last Annual General Meeting held on 30th September, 2019.

The terms of reference of the Audit Committee include review of Quarterly, Half-Yearly and Annual financial statements before submission to the Board for its approval, to review adequacy of internal control system, to apprise the Board on the impact of accounting policies, accounting standards and legislation, to hold periodical discussions with Statutory and Internal Auditors on the scope and content of the audit and to review the Company's financial and risk management policies. The members of the Committee are well versed in matters relating to finance, accounts, company law, other economic legislation and general management practices.

B. NOMINATION AND REMUNERATION COMMITTEE

Composition

The Board has duly constituted the Nomination and Remuneration Committee consisting of five Non-Executive Directors. The constitution of the committee is Mr. Yashpal as Chairman, Mr. Sarabjit Singh, Mr. K.P. Somkuwar, Mr. R.K Bhatia and Mr. Nimesh Mukerji as members.

Terms of Reference

The terms of reference of the Nomination and Remuneration Committee are in conformity with the requirements specified in Regulation 19(4) read with Part D of Schedule II to the Listing Regulations and also comply with the requirements of Section 178 of the Companies Act, 2013.

Brief description of terms of reference

The Committee, inter alia, looks into the matters, in accordance with the remuneration policy of the Company, to identify persons who are qualified to become Directors and who may be appointed in senior management 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 matters relating to the remuneration for the Directors and Key Managerial Personnel.

The Company does not pay any remuneration to its Non-Executive Directors, except sitting fee for attending the Board Meetings @ 15,000/- besides reimbursement of expenses of traveling etc. The Company has no pecuniary relationship or transaction with its non-executive Directors other than payment of sitting fees to them for attending Board and Committee Meetings.

During the financial year ended 31st March, 2020; three Nomination & Remuneration Committee meetings were held on 27th May, 2019; 14th November, 2019 and 8th February 2020. The details of the meetings are as under:-

S. No.	Name of the Director	Category	No. of Committee Meeting during the tenure	
			Held	Attended
1.	Mr. Yashpal, Chairman	Non-Executive/Independent	3	3
2.	Mr. Sarabjit Singh	Non-Executive/Independent	3	3
3.	* Mr. R. N. Trivedi	Non-Executive/Independent	1	1
4.	Mr. R. K. Bhatia	Non-Executive/Independent	3	1
5.	Mr. Nimesh Mukerji	Non-Executive/Independent	3	3
6.	Mr. K.P Somkuwar	Non-Executive/Independent	1	1

* Mr. R.N Trivedi expired on 20.08.2019. During his tenure one meeting was held.

C. STAKEHOLDERS RELATIONSHIP COMMITTEE:

Composition

Stakeholders Relationship Committee was duly constituted under the Chairmanship of Mr. Yashpal and Mr. K.P Somkuwar, Mr. Nimesh Mukerji, Mr. Sarabjit Singh and Mr. R.K Bhatia as members.

Meetings

The Committee's constitution and terms of reference are in compliance with Section 178 of the Companies Act, 2013 read with Regulation 20 of Listing Regulations Guidelines as amended from time to time. During the year 2019–20, four Committee Meetings were held on 27th May, 2019, 14th August 2019, 14th November 2019 and 8th February 2020. Details of the meetings are as under:

S. No.	Name of the Director	Category	No. of Committee Meeting during the tenure	
			Held	Attended
1.	Mr. Yashpal, Chairman	Non-Executive/Independent	4	4
2.	Mr. Sarabjit Singh	Non-Executive/Independent	4	4
3.	*Mr. R. N Trivedi	Non-Executive/Independent	2	1
4.	Mr. R. K. Bhatia	Non-Executive/Independent	4	2
5.	Mr. Nimesh Mukerji	Non-Executive/Independent	4	3
6.	Mr K. P. Somkuwar	Non-Executive/Independent	1	1

* Mr. R.N Trivedi expired on 20.08.2019. During his tenure two meetings were held.

The Committee sees the matter relating to transfer of shares, demat of shares, issue of duplicate share certificates, redressal of shareholders' / investors' grievances and complaints regarding non-receipt of dividends, Annual Reports, etc.

During the year 2019–20, all the complaints received by the company and / or registrar of the company were resolved to the satisfaction of complainants and there was no pending complaint.

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility (CSR) Committee of the Board consists of four directors namely Mr. K.L. Bhatia (Chairman), Mr. Yashpal, Mr. Neeraj Bhatia and Mr. Sarabjit Singh as Members.

Terms of Reference:

Terms of reference of the Committee inter alia include the following

- To formulate and recommend to the Board, a CSR Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII.
- To review and recommend the amount of expenditure to be incurred on the activities referred to in Clause (a) above.
- To monitor the CSR Policy of the Company from time to time.
- To institute a transparent monitoring mechanism for implementation of the CSR Projects/Programs/ activities undertaken by the Company
- Any other matter as the Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time.

Meetings:

During the year ended 31st March 2020, one Corporate Social Responsibility (CSR) Committee Meeting was held on 08.02.2020.

4. GENERAL BODY MEETINGS:

The Annual General Meeting of the Company during last three years were held as per details given below :

2018-19	
Date and Time	: 30th September, 2019 at 12:30 P.M
Venue	: Km 25/4, Kalpi Road, Rania, Kanpur Dehat-209304
Special Resolution	1. To re-appoint Mr. Yashpal as a Independent Director.
	2. To re-appoint Mr. R. K. Bhatia as a Independent Director.

FORTIETH ANNUAL REPORT

	3. Revision in Remuneration of Mr. Kapil Bhatia, Managing Director.
	4. Revision in Remuneration of Mr. Neeraj Bhatia, Whole Time Director.
	5. Revision in Remuneration of Mrs. Manju Bhatia, Whole Time Director.
	6. Re-appointment of Mrs. Mamta Bhatia, Whole Time Director.
	7. To accord consent for continuation of Mr. Nimesh Mukerji as an Independent Director.
	8. To approve continuation of payment of remuneration to Executive Directors in excess of thresholds limits as per SEBI (LODR) (Amendment) Regulations.
2017-18	
Date and Time	: 26th September, 2018 at 12:30 P.M
Venue	: Km 25/4, Kalpi Road, Rania, Kanpur Dehat-209304
Special Resolution	: 1. Approval of Remuneration of Mr. K.L Bhatia, Chairman Cum Managing Director
	2. Approval of Remuneration of Mr. Kapil Bhatia, Managing Director.
	3. Approval of Remuneration of Mr. Neeraj Bhatia, Whole Time Director.
	4. Approval of Remuneration of Mrs. Mamta Bhatia, Whole Time Director.
	5. Approval of Re-appointment of Mrs. Manju Bhatia, Whole Time Director.
	6. Adopt new set of Articles of Association.
	7. Approval of contracts/arrangements with related parties.
	8. Approval for continuation of Mr. Yashpal as Non-Executive Director.
2016-17	
Date and Time	: 28th September, 2017 at 12:30 P.M
Venue	: Km 25/4, Kalpi Road, Rania, Kanpur Dehat-209304
Special Resolution	: 1. Revision in Remuneration of Mr. Kapil Bhatia, Managing Director.
	2. Revision in Remuneration of Mr. Neeraj Bhatia, Whole Time Director.
	3. Revision in Remuneration of Mrs. Mamta Bhatia, Whole Time Director.
	4. Revision in Remuneration of Mrs. Manju Bhatia, Whole Time Director.
	5. Adopt new set of Articles of Association.

Postal Ballot

No postal Ballot was conducted during the financial year 2019-20.

None of the business proposed to be transacted at the ensuing Annual General Meeting require passing a special resolution through postal ballot.

5. MEANS OF COMMUNICATION:

The quarterly, half yearly and annual results of the Company are sent to the Stock Exchange, where the Company's shares are listed, immediately after they are approved by the Board. These are also published in local Hindi newspaper and in a National English Daily in terms of the requirements of Regulation 33(3) and 47(1)(b) of the Listing Regulations. The Annual Report and other information are also available on the website of the Company i.e. www.frontiersprings.co.in. The Annual Report is being sent through email to members whose email ids are registered with Company.

6. GENERAL SHAREHOLDER'S INFORMATION:

- (i) **Annual General Meeting** : Date : 30th September, 2020
Time : 12:30 P.M
(Through VC/OAVM)

- (ii) **Calender for Financial Year Ended March 2021** :

Particulars of Quarter	On or before
First Quarter Results	14.08.2020
Second Quarter Results	14.11.2020
Third Quarter Results	14.02.2021
Fourth Quarter & Annual Results	29.05.2021

- (iii) **Date of Book Closure** : 23rd September, 2020 to 30th September, 2020
(Both days inclusive).
- (iv) **Dividend payment date, if declared** : On and after 05th October, 2020
- (v) **Listing on Stock Exchanges** : Bombay Stock Exchange, Mumbai
(The Company is up-to-date on the payment of Annual Listing fees)
- (vi) **Stock Code** : 522195

- (vii) **Stock Market Price Data at Bombay Stock Exchange (BSE) for the year 2019-20 :**

Month	High (₹)	Low (₹)	Close (₹)	No.of shares traded
April 2019	272.55	209.00	213.45	2,90,421
May 2019	275.00	180.00	229.05	1,55,589
June 2019	248.00	207.60	225.45	1,52,532
July 2019	225.00	170.00	180.90	56,502
August 2019	203.50	152.85	191.75	59,410
September 2019	220.00	166.20	209.55	67,105
October 2019	213.00	181.00	189.60	29,370
November 2019	232.00	184.50	193.95	72,306
December 2019	203.60	175.00	200.70	58,746
January 2020	270.00	194.50	251.75	2,36,477
February 2020	380.00	235.00	302.15	4,27,624
March 2020	327.95	165.10	176.15	1,32,712

- (viii) **Registrar and Share Transfer Agent (RTA) :** Alankit Assignments Ltd.
Alankit Heights
1E/13, Jhandewalan Extension, New Delhi-110055
Telephone No. : 011-42541958;
Email : lalitap@alankit.com

- (ix) **Share Transfer System:**

The shares received for transfer in physical form are processed by RTA and the Share Certificates are returned after authorization by the Company, within a period of fifteen days from the date of receipt, subject

FORTIETH ANNUAL REPORT

to the documents being valid & complete in all respects. Any transferee who wishes to get the shares dematerialized may approach any of the Depository Participants (DP) along with a duly filled Demat Request Form.

(x) Distribution of Shareholding as on 31st March, 2020

Shares holding Number of Shares		No. of Shareholders					Shareholding				
Rs.	Rs.	Physical Number	NSDL Number	CDSL Number	Total Number	%	Physical (in Rs.)	NSDL (in Rs.)	CDSL (in Rs.)	Total (in Rs.)	%
1 to	100	1556	1074	971	3601	62.6261	151168	65956	45233	262357	6.6613
101 to	500	693	553	418	1664	28.9391	184594	147228	105643	437465	11.1074
501 to	1000	56	116	83	255	4.4348	49815	93216	62530	205561	5.2193
1001 to	5000	25	104	54	183	3.1826	47140	220687	111642	379469	9.6348
5001 to	10000	0	13	6	19	0.3304	0	85414	40478	125892	3.1964
10001 to	20000	0	6	2	8	0.1391	0	82136	25398	107534	2.7303
20001 to	30000	1	3	3	7	0.1217	25000	73792	75360	174152	4.4218
30001 to	40000	0	2	3	5	0.087	0	69338	106035	175373	4.4528
40001 to	50000	0	1	0	1	0.0174	0	41560	0	41560	1.0552
50001 to	100000	1	2	0	3	0.0522	76600	153158	0	229758	5.8336
100001 to	500000	0	2	0	2	0.0348	0	638821	0	638821	16.2199
500001 to	ABOVE	0	2	0	2	0.0348	0	1160569	0	1160569	29.4672
T O T A L		2332	1878	1540	5750	100.00	534317	2831875	572319	3938511	100.00

(xi) Shareholding Pattern as on 31st March, 2020 :



Category	No. of shares held	% of Share holding
Promoters	20,38,565	51.76
Mutual Funds and UTI	—	—
Financial Institutions, Banks and Insurance Companies	400	0.01
Private Corporate Bodies	2,36,874	6.01
FIs	—	—
Indian Public	15,92,143	40.42
NRIs/OCBs	70,529	1.80
TOTAL	39,38,511	100%

(xii) Dematerialization of shares:

ISIN Code: Equity Shares : INE572D01014

As on 31st March 2020, 86.43% of the total Equity Shares of the Company have been dematerialized. Trading in equity shares of the company is permitted only in dematerialized form w.e.f 1st January 2002 as per the notification issued by Securities and Exchange Board of India (SEBI).

(xiii) Outstanding GDR / ADR / Warrants or any convertible instruments, conversion date and impact on equity :

Not Applicable

(xiv) Registered Office & Works:

(i) Registered Office : Km 25/4 Kalpi Road
Rania
Kanpur Dehat – 209304

(ii) Manufacturing Unit : Rampur Ghat Road
Village Kunja Tehsil Poanta Sahib
Distt. Sirmour
H.P-173025

(iii) Corporate Office : E-14, Panki Industrial Area,
Site-1, Kanpur - 208 002 (U.P.)

(xv) Address for Investor Correspondence:

- With The Company : The Company Secretary
Frontier Springs Ltd.
E-14, Panki Industrial Area, Site-1,
Kanpur-208022
Tele: 0512-2691207
E-mail: c.s@frontiersprings.co.in
- With the Registrar & Share Transfer Agent : Alankit Assignments Ltd.
Alankit Heights
1E/13, Jhandewalan Extension, New Delhi-110055
Telephone No: 011-42541958
Email : lalitap@alankit.com

(xvi) Corporate Identification Number : L17119UP1981PLC005212

(xvii) E-mail for investors:

The company has designated c.s@frontiersprings.co.in as e-mail address especially for investor grievances.

(xviii) Nomination Facility

Shareholders holding shares in physical form and desirous of making nomination in respect of their Shareholding in the Company as permitted under Section 72 of the Companies Act, 2013 may submit their request to the Company's Registrar and Transfer Agent M/s Alankit Assignments Limited in the prescribed form SH-13 which will be sent by the company upon such request.

7. DISCLOSURES

a) Related Party Transactions:

All transactions entered into with Related parties as defined under Companies Act, 2013 and Regulation 23 of Listing Regulations during the financial year were in the ordinary course of business and on arm's length basis and they are placed before the Audit Committee as also to the Board for approval. Omnibus approval from the Audit Committee was obtained on annual basis for transactions which are of repetitive nature. None of the transactions with any of the related parties were in conflict with the interests of the Company. During the year, the Company had not entered into any contract/arrangement/transaction with related parties which could be considered material in accordance with the Company's Related Party Transaction Policy.

b) Details of non-compliance by the Company, penalties, Strictures imposed on the Company by the Stock Exchanges, Securities and Exchange Board of India or any other statutory authorities on matters relating to Capital Markets during the last three years:

None

c) Adoption of Mandatory and Non Mandatory Requirements:

The Company has complied with all mandatory requirements of Listing Regulations. However, the Company has not adopted the non-mandatory requirements.

d) Disclosures on compliance with Corporate Governance Requirements specified in Listing Regulations:

The Company has complied with Corporate Governance Requirements specified in Regulation 17 to 27

and Clauses (b) to (i) of Sub Regulation (2) of Regulation 46 of the Listing Regulations and necessary disclosures thereof have been made in this Corporate Governance Report.

e) Certificate from a Company Secretary in Practice:

A certificate from M/s P Manghwani & Associates, Practicing Company Secretaries, that none of the directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the SEBI/Ministry of Corporate Affairs or such other statutory authority, is annexed herewith as a part of this report.

f) Where the Board has not accepted any recommendation of any committee of the Board which is mandatorily required, in the financial year:

During the financial year, there have been no instances when the Board has not accepted any recommendation of any Committee of the Board which is mandatorily required.

g) Total fees for all services paid by the Company to the Statutory Auditor:

Details relating to fees paid to the Statutory Auditors are given in Note no. 29.2 to the Annual Financial Statements of the Company.

h) Disclosure in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

a)	Number of Complaints filed during the financial year	NIL
b)	Number of Complaints disposed of during the financial year	NIL
c)	Number of Complaints pending at the end of Financial year	NIL

i) Disclosure on Compliance with Corporate Governance Requirements specified in Listing Regulations:

The Company has complied with Corporate Governance requirements specified in Regulation 17 to 27 and Clauses (b) to (i) of Sub Regulation (2) of Regulation 46 of the Listing Regulations and necessary disclosures thereof have been made in this Corporate Governance Report.

8. CMD AND CFO CERTIFICATION

The Chairman and Managing Director and the Chief Financial Officer of the Company provide annual certification on financial reporting and internal controls to the Board in terms of Regulation 17(8) of the Listing Regulations. They also provide quarterly certification on financial results before the Board in terms of Regulation 33(2)(a) of the Listing Regulations.

DECLARATION

Pursuant to Regulation 26(3) of Listing Regulations, I, Kundan Lal Bhatia, Chairman Cum Managing Director of Frontier Springs Limited, declare that all Board Members and Senior Management Personnel of the Company have affirmed their compliance with the Code of Conduct for the financial year 2019-20.

Place : Kanpur
Date : August 13, 2020

KUNDAN LAL BHATIA
(Chairman Cum Managing Director)
DIN No. 00581799

CERTIFICATE PURSUANT TO CLAUSE (i) OF POINT (10) OF PARA C OF SCHEDULE V OF THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

To,
The Members,
Frontier Springs Limited.,
25/4 Kalpi Road Rania Kanpur Dehat UP 209304 India.

We have examined the following documents:

- i) Declaration of non-disqualification as required under Section 164 of Companies Act, 2013 ('the Act');
- ii) Disclosure of concern or interests as required under Section 184 of the Act; (hereinafter referred to as 'relevant documents'), as submitted by the Directors of Frontier Springs Limited ('the Company') bearing CIN: L17119UP1981PLC005212 and having its Registered Office at 25/4 Kalpi Road Rania Kanpur Dehat UP-209304 India.

To the Board of Directors of the Company ('the Board') for the financial year 2019-2020, we have considered non-disqualification to include non-debarment.

It is the responsibility of Directors to submit relevant documents with complete and accurate information in accordance with the provisions of the Act.

Based on our examination of relevant documents made available to us by the Company and such other verifications carried out by us as deemed necessary and adequate, in our opinion and to the best of our information and knowledge and according to the explanations Provided by the Company, its officers and authorized representatives, we certify that as on date of this Certificate, none of the Directors on the Board of the Company, as listed hereunder, have been debarred or disqualified from being appointed or continuing as Directors of the Company by Securities and Exchange Board of India/Ministry of Corporate Affairs or any such statutory authority.

S. No.	Name of Person	Designation	DIN
1.	Mr. Kundan Lal Bhatia	Chairman cum Managing Director	00581799
2.	Mr. Kapil Bhatia	Managing Director	00582337
3.	Mr. Neeraj Bhatia	Whole Time Director	00582395
4.	Mr. Yashpal	Independent Director	00929185
5.	Mr. Ramesh Kumar Bhatia	Independent Director	00958948
6.	Mr. Ramesh Narayan Trivedi	Independent Director	03243439
7.	Mrs. Manju Bhatia	Whole Time Director	03480362
8.	Mrs. Mamta Bhatia	Whole Time Director	03480368
9.	Mr. Sarabjit Singh	Independent Director	07705856
10.	Mr. Nimesh Mukerji	Independent Director	07705885
11.	Mr. Keshao P Somkuwar	Independent (Additional) Director	08712772

This Certificate has been issued at the request of the Company to make disclosure in its Corporate Governance Report of the financial year ended 31st March, 2020.

For P Manghwani & Associates
Priyanka Manghwani
Proprietor
M.No. F9912
C.O.P. 12498
UDIN : F009912B000653269

Place : Lucknow
Date : 02.09.2020

Certificate on Corporate Governance

To
The Members of
Frontier Springs Limited
R/o 25/4 Kalpi Road Rania,
Kanpur Dehat UP 209304

1. This certificate is issued in accordance with the terms of our engagement confirmation with Frontier Springs Limited ('the Company') dated 8th February, 2020.
2. We have examined the compliance of conditions of Corporate Governance by the Company, for the year ended 31st March, 2020, as stipulated in Regulations 17 to 27, clauses (b) to (i) of Regulation 46(2), and paragraphs C and D of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations').

Management's Responsibility

3. The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of Corporate Governance as stipulated in the Listing Regulations.

Auditor's Responsibility

4. Pursuant to the requirements of the Listing Regulations, our responsibility is to express a reasonable assurance in the form of an opinion as to whether the company has complied with the conditions of corporate governance as stated in paragraph 2 above. Our responsibility is limited to examining the procedures and implementation thereof, adopted by the company for ensuring the compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.
5. We have examined the books of account and other relevant records and documents maintained by the Company for the purpose of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.
6. We have carried out an examination of the relevant records of the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Company Secretaries of India.

Opinion

7. Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31st March, 2020.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

Restrictions on use

8. This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

Place : Lucknow
Date : 02.09.2020

For P Manghwani & Associates
Priyanka Manghwani
Proprietor
M.No. F9912
C.O.P. 12498
UDIN : F009912B000653271

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR PERIOD ENDED 31ST MARCH, 2020

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

To:

The Members,
FRONTIER SPRINGS LTD,
CIN: L17119UP1981PLC005212
Km 25/4, Kalpi Road,
Rania, Kanpur Dehat - 209 304 India

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Frontier Springs 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 my opinion thereon.

Based on our verification of Frontier Springs 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 my/our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020 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 Frontier Springs Limited ("the Company") for the financial year ended on 31st March, 2020 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

(Not applicable as the Company has not entered into any transactions relating to Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings during the audit period);

- (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; ***(Not applicable as the Company has not issued any employee stock option or purchase scheme during the Audit Period);***

- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not applicable as the Company has not issued and listed any debt securities during the Audit Period)**;
- (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; **(Not applicable as there was no reportable event during the Audit Period)** and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not applicable as there was no reportable event during the period under review)**.

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

- (i) Secretarial Standards with regard to Meetings of Board of Directors (SS-1), the General Meetings (SS-2) and dividend (SS-3) issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Bombay Stock Exchange(s), and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 if applicable;;

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

I/we further report that

1. The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.
2. 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.
3. Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
4. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
5. 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 P. MANGHWANI & ASSOCIATES

(Company Secretaries)

Priyanka Manghwani

Proprietor

(M NO. F9912)

(CP No. 12498)

UDIN : F009912B000633634

Date : 12.08.2020

Place : Lucknow

SECRETARIAL AUDIT REPORT

This report is to be read with our letter of even date which is annexed as Annexure 1 and forms an integral part of this report.

‘Annexure -1’

To,
The Members
Frontier Springs Limited
Registered Office: 25/4 Kalpi Road Rania
Kanpur Dehat UP 209304 India.

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 the 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 happeningof 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.

FORTIETH ANNUAL REPORT**ANNEXURE 'C' TO THE DIRECTORS' REPORT**

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

(As on the financial year ended on 31st March, 2020)

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

I. REGISTRATION AND OTHER DETAILS:

S.No.	Particulars	Facts
(i)	CIN	L17119UP1981PLC005212
(ii)	Registration Date	24th February, 1981
(iii)	Name of the Company	Frontier Springs Limited
(iv)	Category / Sub-Category of the Company	Public Company, Limited by Shares, Indian, Non Government Company
(v)	Address of the Registered office and contact details	Km 25/4, Kalpi Road, Rania Kanpur Dehat- 209 304 Tel: 05111-240212-13 Fax No: 05111 – 240214 Email: c.s@frontiersprings.co.in Website: www.frontiersprings.co.in
(vi)	Whether Listed Company	Yes
(vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Alankit Assignments Limited, 1E/13 Alankit Heights Jhandewalan Extension New Delhi- 110055, Tel : +91 42541100/42541958 Email: lalitap@alankit.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sl.No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the Company
1.	Manufacture of Tubes, Pipes and Hollow Profiles and of Tube and Pipe fittings of Cast-Iron/Cast Steel	2431	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :

Sl. No	Name and address of the Company	CIN/GLN Associate	Holding/ Subsidiary/ held	% of shares	Applicable Section
	NIL	NIL	NIL	NIL	NIL

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

i) Category-wise Share Holding:

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A) Promoters									
(1) Indian									
(a) Individual/HUF	2038565	NIL	2038565	51.76	2038565	NIL	2038565	51.76	Nil
(b) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c) State Govt. (s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(d) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(e) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(f) Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-Total (A) (1)	2038565	NIL	2038565	51.76	2038565	NIL	2038565	51.76	Nil
(2) Foreign									
(a) NRIs									
Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b) Other									
Individuals	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(c) Bodies Corp.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(d) Banks / FI	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(e) Any Other....	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-Total (A) (2)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Total Shareholding of Promoter (A)= (A) (1)+(A) (2)	2038565	NIL	2038565	51.76	2038565	NIL	2038565	51.76	Nil
(B) Public Shareholding									
(1) Institutions									
(a) Mutual Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b) Banks/FI	400	Nil	400	.01	400	Nil	400	.01	Nil
(c) Central Govt.	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(d) State Govt.(s)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(e) Venture Capital funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(f) Insurance Companies	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(g) FIIs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(h) Foreign Venture Capital Funds	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(i) Others (Specify)	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Sub-Total (B)(1)	400	Nil	400	.01	400	Nil	400	.01	Nil
(2) Non- Institutions									
(a) Bodies Corp									
i. Indian	205613	83200	288813	7.33	153674	83200	236874	6.01	-1.32
ii. Overseas	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
(b) individuals									
i. Individual shareholders holding nominal share capital up to Rs. 1 lakh	746007	439928	1185935	30.11	809549	421317	1230866	31.25	1.14

FORTIETH ANNUAL REPORT

ii. Individual shareholders holding nominal share capital in excess of 1 lakh	255091	25000	280091	7.12	256662	25000	281662	7.16	0.04
(c) Others (Specify)	140107	4600	144707	3.68	145744	4400	150144	3.82	0.14
Others (Specify)									
Sub-Total (B)(2)	1346818	552728	1899546	48.24	1365629	533917	1899546	48.24	Nil
Total Public Shareholding (B)=(B)(1)+ (B) (2)	1347218	552728	1899546	48.24	1366029	533917	1899946	48.24	Nil
C. Shares held by custodian for GDRs & ADRs	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
Grand Total (A+B+C)	3385783	552728	3938511	100	3404594	533917	3938511	100	-

(ii) Shareholding of Promoters:

S. No.	Shareholders' Name	Shareholding at the beginning of the year			Shareholding at the end of the year			Change 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.	Mr. Kundan Lal Bhatia	326040	8.28%	0.00%	238500	6.06%	0.00%	2.22%
2.	Kundan Lal Bhatia HUF	41075	1.04%	0.00%	0	0	0.00%	1.04%
3.	Mrs. Kamla Bhatia	255609	6.49%	0.00%	400321	10.16%	0.00%	3.67%
4.	Mr. Neeraj Bhatia	552430	14.03%	0.00%	552430	14.03%	0.00%	0.00%
5.	Mrs. Shyama Bhatia	90702	2.30%	0.00%	90702	2.30%	0.00%	0.00%
6.	Mr. Chandan Bhatia	22597	0.57%	0.00%	6500	0.17%	0.00%	0.4%
7.	Mr. Manu Bhatia	6500	0.17%	0.00%	6500	0.17%	0.00%	0.00
8.	Mr. Kapil Bhatia	608139	15.44%	0.00%	608139	15.44%	0.00%	0.00
9.	Mrs. Manju Bhatia	20380	0.52%	0.00%	20380	0.52%	0.00%	0.00%
10.	Mrs. Priya Bhatia	16040	0.41%	0.00%	16040	0.41%	0.00%	0.00%
11.	Mrs. Preeti Bhatia	14340	0.36%	0.00%	14340	0.36%	0.00%	0.00%
12.	P. C. Bhatia HUF	36675	0.93%	0.00%	36675	0.93%	0.93%	0.00%
13.	Mrs. Mamta Bhatia	38038	0.97%	0.00%	38038	0.97%	0.00%	0.00%
14.	Mrs. Bindu Bhatia	10000	0.25%	0.00%	10000	0.25%	0.00%	0.00%
TOTAL		2038565	51.76%	0.00%	2038565	51.76%	0.00%	0.00%

(iii) Change in Promoters' Shareholding :

S. No.	Shareholders Name	Shareholding at the beginning of the year			Cumulative Shareholding during the year			% of Change 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	Mrs. Kamla Bhatia	2,55,609	6.49%	0.00%	4,00,321	10.16	0.00%	3.67%
2.	Mr. Kundan Lal Bhatia	3,26,040	8.28%	0.00%	2,38,500	6.06	0.00%	2.22%
2.	Mr. Chandan Bhatia	22,597	0.57%	0.00%	6,500	0.17	0.00%	0.4%

(iv) Shareholding Pattern of Top Ten Shareholder's (Other than Directors, Promoters and holders of GDRs & ADRs as on 31st March, 2020)

S. No.	Shareholders Name	Shareholding at the beginning of the year		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during 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
1.	Ashari Properties & Finances Ltd.	76600	1.94	-	-	-	76600	76600	1.94
2.	Sandeep Tandon	25000	0.63	-	-	-	25000	25000	0.63
3.	AGR Investments Limited	24500	0.62	-	-	-	24500	24500	0.62
4.	Vishpa Rail Equipments Private Limited	113187	2.87	-	-	-	113187	-	-
				12-04-2019	10264	Sale	102923	-	-
				19-04-2019	3069	Sale	99854	-	-
				26-04-2019	6766	Sale	93088	-	-
				24-05-2019	4000	Sale	89088	-	-
				31-05-2019	5135	Sale	83953	-	-
				07-06-2019	2251	Sale	81702	-	-
				14-06-2019	7155	Sale	74547	-	-
				21-06-2019	5619	Sale	68928	-	-
				28-06-2019	6371	Sale	62557	-	-
				05-07-2019	1	Sale	62556	-	-
				17-01-2020	100	Sale	62456	-	-
				10-02-2020	100	Buy	62556	-	-
				14-02-2020	100	Sale	62456	62456	1.59
5.	Kalpna Prakash Pandey	28912	0.73	-	-	-	28912	28912	0.73
6.	Atul Dinkerray Raval	28061	0.71	-	-	-	28061	28061	0.71

FORTIETH ANNUAL REPORT

S. No.	Shareholders Name	Shareholding at the beginning of the year		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during 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
7.	Ashok Malhotra	20100	0.51	–	–	–	20100	–	–
				31-05-2019	2900	Purchase	23000	–	–
				07-06-2019	2000	Purchase	25000	–	–
				14-06-2019	800	Purchase	25800	–	–
				21-06-2019	200	Purchase	26000	–	–
				28-02-2020	2000	Purchase	28000	–	–
				06-03-2020	2000	Purchase	30000	–	–
				13-03-2020	800	Purchase	30800	–	–
				20-03-2020	400	Purchase	31200	–	–
				27-03-2020	100	Purchase	31300	31300	0.79
8.	Sangeetha S	41560	1.06	–	–	–	41560	41560	1.06
9.	Jatin Keshavji Chande	27500	0.70	–	–	–	27500	–	–
				31-05-2019	1500	Purchase	29000	29000	0.74
				07-06-2019	100	Purchase	29100	29100	0.74
				23-08-2019	400	Purchase	29500	29500	0.75
				13-09-2019	700	Purchase	30200	30200	0.77
				20-09-2019	200	Purchase	30400	30400	0.77
				23-09-2019	600	Purchase	31000	31000	0.79
				22-11-2019	1000	Purchase	32000	32000	0.81
				13-03-2020	250	Purchase	32250	32250	0.82
				20-03-2020	1040	Purchase	33290	33290	0.85
				27-03-2020	2170	Purchase	35460	35460	0.90
10.	Jatin Keshavji Chande	27500	0.70	–	–	–	27500	–	–
				31-05-2019	1500	Purchase	29000	29000	0.74
				14-06-2019	100	Purchase	29100	29100	0.74
				23-08-2019	400	Purchase	29500	29500	0.75
				20-09-2019	900	Purchase	30400	30400	0.77
				23-09-2019	600	Purchase	31000	31000	0.79
				22-11-2019	1000	Purchase	32000	32000	0.81
				13-03-2020	300	Purchase	32300	32300	0.82
				20-03-2020	1000	Purchase	33300	33300	0.85
				27-03-2020	600	Purchase	33900	33900	0.86

* Mr. Jatin Keshavji Chande has holding in two different folio's.

(v) Shareholding of Directors and Key Managerial Personnel as on 31st March, 2020 :

S. No.	Name of Director/KMP	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
1.	Mr. K. L. Bhatia	326040	8.28 %	238500	6.06 %
2.	Mr. Kapil Bhatia (Managing Director)	608139	15.44 %	608139	15.44 %
3.	Mr. Neeraj Bhatia (CFO)	552430	14.03 %	552430	14.03 %
4.	Mrs. Mamta Bhatia	38038	0.97 %	38038	0.97 %
5.	Mrs. Manju Bhatia	20380	0.52 %	20380	0.52 %
6.	Mr. Nimesh Mukerji	—	—	—	—
7.	Mr. R. N. Trivedi	—	—	—	—
8.	Mr. R. K. Bhatia	—	—	—	—
9.	Mr. Sarabjit Singh	—	—	—	—
10.	Mr. Yashpal	—	—	—	—
11.	Mr. Keshao P Somkuwar	—	—	—	—
12.	Mr. Dhruv Bhasin (Company Secretary)	—	—	—	—

V. INDEBTEDNESS

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

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	854.43	28.55	—	882.98
ii) Interest due but not paid	2.97	0.86	—	3.83
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	857.40	29.41	—	886.81
Change in Indebtedness during the financial year				
* Addition	183.22	—	—	183.22
* Reduction	(156.76)	(29.41)	—	(186.17)
Net Change	24.46	(29.41)	—	(2.95)
Indebtedness at the end of the financial year				
i) Principal Amount	883.86	—	—	883.86
ii) Interest due but not paid	3.45	—	—	3.45
iii) Interest accrued but not due	—	—	—	—
Total (i+ii+iii)	887.31	29.41	—	887.30

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager					Total Amount
	Name	Kundan Lal Bhatia	Kapil Bhatia	Neeraj Bhatia	Mamta Bhatia	Manju Bhatia	
	Designation	CMD	MD	CFO	Director	Director	
1.	Gross salary						
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	18.00	78.00	78.00	60.00	60.00	294.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	–	0.80	0.80	–	–	1.60
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	7.50	82.56	82.00	43.50	43.50	259.06
2.	Stock Option	–	–	–	–	–	–
3.	Sweat Equity	–	–	–	–	–	–
4.	Commission	–	–	–	–	–	–
	– as % of profit	–	–	–	–	–	–
	– others, specify	–	–	–	–	–	–
5.	Others, please specify	–	–	–	–	–	–
	Total (A)	25.50	161.36	160.80	103.50	103.50	554.66
	Ceiling as per the Act						

B. Remuneration to other Directors:

SN.	Particulars of Remuneration	Name of Directors						Total Amount
		R. N. Trivedi	Keshao P. Somkumar	Sarabjit Singh	R.K. Bhatia	Nimesh Mukerji	Yashpal	
1.	Independent Director							
	Fee for attending Board Committee Meetings	0.15	0.15	0.75	0.30	0.60	0.75	2.70
	Commission							
	Others, please specify							
	Total (1)	0.15	0.15	0.75	0.30	0.60	0.75	2.70
2.	Other Non-Executive Directors							
	Fee for attending board committee meetings							
	Commission							
	Others, please specify							
	Total (2)		–	–	–	–	–	–
	Total (B)=(1+2)	0.15	0.15	0.75	0.30	0.60	0.75	2.70
	Total Managerial Remuneration							557.36
	Overall Ceiling as per the Act	As mentioned under Companies Act, 2013						

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

SN.	Particulars of Remuneration	Name of Key Managerial Personnel		Total Amount (Rs./Lacs)
	Name	Neeraj Bhatia	Dhruv Bhasin	
	Designation	CFO	Company Secretary	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	78.00	9.78	87.78
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.80	—	0.80
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	82.00	—	82.00
2.	Stock Option	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission	—	—	—
	— as % of profit	—	—	—
	— others, specify	—	—	—
5.	Others, please specify	—	—	—
Total		160.80	9.78	170.58

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NIL

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)
A. COMPANY					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—
B. DIRECTORS					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—
C. OTHER OFFICERS IN DEFAULT					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—

ANNEXURE–‘D’ TO DIRECTORS REPORT

PARTICULARS REQUIRED UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH Rule 8 (3) OF THE COMPANIES (ACCOUNTS) RULES, 2014

A. CONSERVATION OF ENERGY

(i) The Steps taken or impact on conservation of energy:

The Company is giving due importance to conservation of energy and makes continuous effort to conserve energy during the financial year, the Company has taken following specific measures to optimize energy generation and consumption at its manufacturing facilities :

- a) Wastage of power due to usage of unwanted lights in day time has been reduced by adopting the daily manual checking procedure to control the on/off time of building lights in day time.
- b) The Automatic Power Factor Controller (APFC) and Automatic Voltage Stabilizers installed in the company continue to work well and conserve energy.
- c) All tube lights and filament bulbs in the company were replaced by energy conserving LEDs .
- d) Water consumption reduced by optimizing water flow for process machines. Reuse of water in process machines to reduce overall water consumption.
- e) All motors and machines are regularly serviced and lubricated to reduce operating load.

(ii) The Steps taken by the Company for utilizing alternate source of energy:

All new projects and line extensions in factories are equipped with high efficiency motors, variable frequency drives LED lights, roof mounted self driven ventilators and maximized use of natural illumination Efforts are continuing to identify other viable opportunities of using alternate sources of energy.

(iii) The capital investment on energy conservation equipments:

No new capital investment on energy conservation equipments was made during the year, the existing Automatic Power factor Controller and the Automatic Voltage Stabilizer were kept maintained and in satisfactory working conditions.

B. TECHNOLOGY ABSORPTION

i. Efforts in brief, made towards Technology Absorption, Adoption & Innovation:

The company is having latest state of the art plant and machinery and has the policy of continuous modernization and upgradation of machines. It is our philosophy to continuously upgrade ourselves from a technological stand point. The Company's technical team has been continuously working on the upgradation and modification of existing products in order to keep pace with the advances in technological innovations and re-designing products to create new market opportunities.

ii. Benefits derived as a result of the above efforts:

These measures have helped in production of value added new products, better yields, better quality of the end product, cost reduction, energy saving, enhanced operational productivity and efficiency etc.

iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year):

The company has not imported any technology during the preceding three years.

iv. The Expenditure incurred in Research and Development:

Research & Development in the company is a continuous process and runs in parallel to the normal activities by way of new improvements & modifications on plant & machinery and development of new & innovative products, and has not been quantified separately and are grouped under their respective heads.

C. Foreign Exchange Earnings and Outgo

(In INR)

Foreign Exchange earned in terms of actual inflows.	NIL
Foreign Exchange outgo in terms of actual outflows.	NIL

ANNEXURE 'E' TO THE DIRECTORS' REPORT
**Report on Corporate Social Responsibility (CSR) Activities/Initiatives for the year ended 31st March, 2020
(Pursuant to Section 135 of the Companies Act, 2013 and Rule 9 of the Companies(Accounts) Rules, 2014)**

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR Policy and projects or programs:

The Corporate Social Responsibility (CSR) Policy as approved by the Board has been uploaded on the Company's website and may be accessed at the link
http://frontiersprings.co.in/downloads/FSL_Corporate%20Social%20Responsibility%20Policy-.pdf

In terms of the CSR Policy of the Company, the following areas have been identified

- I. Promotion of Education at pre-school levels in rural areas
 - II. Providing better health facilities and combating disease
 - III. Providing better education and accommodation facilities to students of tribal areas
 - IV. Eradicating hunger, poverty and malnutrition.
2. Composition of CSR Committee:
 The Corporate Social Responsibility Committee of the Company comprises four Directors, out of which two Directors are Independent. The composition of CSR Committee is as under:

Name of the Director	Category
Mr. Kundan Lal Bhatia (Chairman)	Promoter Executive Director
Mr. Yashpal	Non-Executive Independent Director
Mr. Sarabjit Singh	Non-Executive Independent Director
Mr. Neeraj Bhatia	Promoter Executive Director

3. Average Net Profits of the Company for last three financial years: Rs. 2,93,99,506
4. Prescribed CSR Expenditure (2% of the amount as in Item 3 above):Rs. 5,87,990
5. Details of CSR spent during the financial year:
 - (a) Total amount to be spent for the financial year: 5,87,990
 - (b) Amount unspent, if any: Rs 3,77,990
 - (c) Manner in which the amount spent during the financial year is detailed below:

S.No	CSR Project or Activity	Name of the Institution	Amount Spent
1)	Rural Education	Bharat Lok Parishad	Rs.1,10,000
2)	Education & Accomodation for Unprivileged Children	Birsa Munda Chhatravas	Rs.1,00,000
3)	*Health Care	Sanjay Gandhi PG Institute of Medical Sciences	Rs.3,75,000

*The CSR activity for Health Care was undertaken in the current Financial year 2020-21 due to COVID-19 pandemic.

6. In case the company has failed to spend the two percent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board Report
 The Company could not spent a sum of Rs. 3,77,990 in for the year ending March 31, 2020 due to COVID-19 pandemic. Your Company has donated 535 PPE Kits worth Rs. 3,75,000 to Sanjay Gandhi PG Institute of Medical Sciences in the month of May, 2020.
7. Responsibility Statement: The CSR Committee has confirmed that the monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company.

(KUNDAN LAL BHATIA)

Chairman of the CSR Committee

INDEPENDENT AUDITOR'S REPORT

To the Members of

M/S FRONTIER SPRINGS LIMITED

Report on the Audit of the Standalone Financial Statements

Opinion

I have audited the accompanying standalone financial statements of Frontier Springs Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2020, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows for the year ended on that date, and a summary of the significant accounting policies and other explanatory information.

In my opinion and to the best of my information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2020, and its profit, changes in equity and its cash flows for the year ended on that date.

Basis for opinion

I conducted my audit of the standalone financial statements in accordance with the Standards on Auditing specified under section 143(10) of the Act (SAs). My responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of my report. I am independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to my audit of the standalone financial statements under the provisions of the Act and the Rules made there under, and I have fulfilled my other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the standalone financial statements.

Key audit matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the standalone financial statements of the current period. These matters were addressed in the context of my audit of the standalone financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters. I have de-

termined the matters described below to be the key audit matters to be communicated in my report.

1. Revenue Recognition

Revenue from the sale of goods is recognized upon the transfer of control of the goods to the customer (mainly being supply to railways), usually on delivery of goods. The company uses a variety of shipment terms across its operating markets and this has an impact on the timing of revenue recognition. As well as the company recognizes its revenue as per the various tenders received from railways which has overall impact on the timing of revenue recognition? There is a risk due to retention norms of 2% or 5% in all purchase orders by railways that revenue could be recognized in the incorrect period for sales transactions occurring on and around the year end therefore revenue recognition has been identified as a key audit matter.

Refer to Note 21 to the Standalone Financial Statements

Auditor's Response

1. Principal Audit Procedures

- My audit procedures included reading the Company's revenue recognition accounting policies to assess compliance with Ind AS 115 "Revenue from contracts with customers".
- I performed test of controls of management's process of recognizing the revenue from sales of goods and placed specific attention on the timing of the revenue recognition as per the sales terms with the customers.
- I performed test of details of the sales transactions testing based on a representative sampling of the sales orders to test that the related revenues and trade receivables are recorded appropriately taking into consideration the terms and conditions of the sale orders, including the shipping terms.
- I also performed sales cut off procedures by agreeing deliveries occurring around the year end to supporting documentation to establish that sales and corresponding trade receivables are properly recorded in the correct period.

2. Retention by railways out of revenue received.

As per railway norms, terms and conditions there are demurrage charges which are retained in the form of 2% or 5% of invoice value which is recovered when the tenure as per terms and conditions of the purchase order is completed. The total retention amount for the period ended 31/03/2020 amounts to Rs. 93,18,785/- out of total trade receivables and out of which Rs. 24,95,956/- has been recovered upto 31/05/2020.

Auditor's Response

Principal Audit Procedures

- My audit procedures included reading the Company's revenue recognition accounting policies to assess compliance with Ind AS 115 "Revenue from contracts with customers".
- I performed test of controls of management's process of recognizing the revenue from sales of goods and placed specific attention on the timing of the revenue recognition as per the sales terms with the customers.
- I performed test of details of the sales transactions testing based on a representative sampling of the sales orders to test that the related revenues and trade receivables are recorded appropriately taking into consideration the terms and conditions of the sale orders, including the shipping terms.
- I also performed sales cut off procedures by agreeing deliveries occurring around the year end to supporting documentation to establish that sales and corresponding trade receivables are properly recorded in the correct period.

3. Taxes including provision for current tax, valuation of uncertain tax positions and recognition of deferred taxes.

The company has recorded Rs.3,09,89,839/- of tax expense and deferred tax liabilities amounting to Rs.42,27,202/- for the year ended 31st March, 2020.

The company is subject to periodic tax challenges by tax authorities which may lead to protracted litigations, as such accounting for taxes involves management judgement in developing estimates of tax exposures and contingencies in order to assess the adequacy of tax provision.

Auditor's Response

Principal Audit Procedures

Assessed the design, implementation and operating effectiveness of key controls in respect of the company's process of recognition of tax expense, including uncertain tax provisions and deferred taxes.

Assessed the calculation for the current tax provisions and the procedures performed to analyze movements, including the rationale for any release, increase or continued provision in the year.

Assessed management's judgements with respect to probability of outflow arising out of litigation after considering the status of recent tax assessments, audits and enquiries, recent judicial

pronouncements and judgements in similar matters, developments in the tax environment and outcome of past litigations.

4. Gratuity Accounting.

Company has taken policy from Life Insurance Corporation regarding the gratuity for its Springs and Forging Div. units at Rania, in regards to this there is a trust Titles as 'Trustees Frontier Springs Ltd. Employees Group', there are no any pending payment on this account as on 31.03.2020. There is no policy taken by company for its unit at Paonta Sahib, Himachal Pradesh. The outstanding amount on this account is Rs. 21,17,775/- for Paonta units. Against this no earmarked funds have been kept by the company.

Auditor's Response

Principal Audit Procedures

- My audit procedures included reading the Company's revenue recognition accounting policies to assess compliance with Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets".
- I performed test of controls of management's process of recognizing the Provisions, Contingent Liabilities and Contingent Assets and placed specific attention on the timing of the provisions.
- I performed test of details of the expense transactions testing based on a representative sampling of the Provisions to test that the Provisions, Contingent Liabilities and Contingent Assets are recorded appropriately.
- I also performed cut off procedures relating to Provisions, Contingent Liabilities and Contingent Assets occurring around the year end and the same are properly recorded in the correct period.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and my auditor's report thereon.

My opinion on the standalone financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the standalone financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or my knowledge obtained during the course of my audit or otherwise appears to be materially misstated.

If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact. I have nothing to report in this regard.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the AS and other accounting principles generally accepted in India. 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 standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

My objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from

fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, I am also responsible for expressing my opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the

standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. I consider quantitative materiality and qualitative factors in (i) planning the scope of my audit work and in evaluating the results of my work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, based on my audit I report that:

I have sought and obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of my audit.

- In my opinion, proper books of account as required by law have been kept by the Company so far as it appears from my examination of those books.
- The Balance Sheet, the Statement of Profit and Loss, Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account.
- In my opinion, the aforesaid standalone financial statements comply with the AS specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- On the basis of the written representations received from the directors as on March 31, 2020 taken on record by the Board of Directors, none

of the directors is disqualified as on March 31, 2020 from being appointed as a director in terms of Section 164 (2) of the Act.

- With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to my separate Report in "Annexure A". My report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
 - With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended :
 - In my opinion and to the best of my information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended in my opinion and to the best of my information and according to the explanations given to us :
 - The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, I give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

For SANJEEVANI RAIZADA & CO.
Chartered Accountants
Firm's Regn. No. : 021960C
SANJEEVANI RAIZADA
Proprietor
Membership No. 414542
UDIN : 20414542AAAABM7618

Place : Kanpur
Date : 19.07.2020

ANNEXURE - 'A' TO THE INDEPENDENT AUDITORS' REPORT

(Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' section of my report to the Members of Frontier Springs Limited of even date)

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

I have audited the internal financial controls over financial reporting of FRONTIER SPRINGS LIMITED ("the Company") as of March 31, 2020 in conjunction with my audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Board of Directors of the Company 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. 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 respective 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.

Auditor's Responsibility

My responsibility is to express an opinion on the internal financial controls over financial reporting of the Company based on my audit. I conducted my audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India and the Standards on Auditing prescribed under Section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that I 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.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

I believe that the audit evidence I have obtained are sufficient and appropriate to provide a basis for my audit opinion on the internal financial controls system over financial reporting of the Company.

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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

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 my opinion, to the best of my 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 March 31, 2020, 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 SANJEEVANI RAIZADA & CO.
Chartered Accountants
Firm's Regn. No. : 021960C
SANJEEVANI RAIZADA
Proprietor
Membership No. 414542
UDIN : 20414542AAAABM7618

Place : Kanpur
Date : 19.07.2020

Annexure 'B' to the Independent Auditor's Report

Referred to in paragraph 2 under the heading 'Report on Other Legal & Regulatory Requirement' of our report of even date to the financial statements of the Company for the year ended March 31, 2020:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) The title deeds of the immovable properties are held in the name of the company.
- 2) (a) The management has conducted the physical verification of inventory at reasonable intervals.
- (b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 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 Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess, GST and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2020 for a period of more than six months from the date on when they become payable.
- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax Cess, GST outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised money by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, managerial remuneration has been paid by the Company in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.

- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of

clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

- 17) It is further categorically stated here that due to Covid-19, Pandemic, there is certain restrictions, restrain in conducting the audit, as well as there is certain other short comings in the nature of confirmations of balances and transactions from different parties, other related matters, evaluating impairment of assets, if any change in use full life of asset, other significant uncertainties, it's effect in the subsequent year and appropriate audit evidences in certain matters.

For SANJEEVANI RAIZADA & CO.
Chartered Accountants
Firm's Regn. No. : 021960C
SANJEEVANI RAIZADA
Proprietor
Membership No. 414542
UDIN : 20414542AAAABM7618

Place : Kanpur
Date : 19.07.2020

FORTIETH ANNUAL REPORT

BALANCE SHEET AS ON 31ST MARCH, 2020

	Note No.	Figure as at 31st March, 2020 Rs.	Figure as at 31st March, 2019 Rs.
I. ASSETS			
1. Non-current Assets			
(A) Property, Plant And Equipment	1	33,15,09,666.92	29,80,56,645.68
(B) Capital Work in Progress	1	1,41,19,341.64	40,19,359.02
(C) Investment Properties		0.00	0.00
(D) Goodwill		0.00	0.00
(E) Other Intangible Assets		0.00	0.00
(F) Intangible Assets Under Developments		0.00	0.00
(G) Biological Assets Other Than Bearer Plants		0.00	0.00
(H) Financial Assets		0.00	0.00
(i) Investments	2	4,66,45,565.53	3,01,16,300.88
(ii) Trade Receivables		0.00	0.00
(iii) Loans	3	31,56,684.00	31,56,684.00
(iv) Other Financial Assets		0.00	0.00
(I) Deferred Tax Assets (Net)		0.00	0.00
(J) Other Non-current Assets	4	55,23,329.08	53,90,062.00
2. Current Assets			
(A) Inventories	5	16,24,95,292.46	18,39,54,036.77
(B) Financial Assets			
(i) Investments	6	0.00	0.00
(ii) Trade Receivables	7	15,75,00,370.23	11,45,19,353.00
(iii) Cash and Cash Equivalents	8	2,59,43,792.91	1,26,09,527.98
(iv) Bank Balances Other Than Cash and Cash Equivalents		0.00	0.00
(v) Loans	9	2,99,10,673.32	2,06,09,204.11
(vi) Other Financial Assets		0.00	0.00
(C) Current Tax Assets (Net)		0.00	0.00
(D) Other Current Assets	10	25,15,965.21	54,38,894.16
Total Assets		<u>77,93,20,681.30</u>	<u>67,78,70,067.60</u>
II. EQUITY & LIABILITIES			
1. Equity			
(A) Equity Share Capital	11	3,96,32,110.00	3,96,32,110.00
(B) Other Equity	12	47,36,26,562.15	33,80,31,862.98
2. Liabilities			
Non-current Liabilities			
(A) Financial Liabilities			
(i) Borrowings	13	3,17,85,222.78	2,77,12,143.47
(ii) Trade Payables		0.00	0.00
(iii) Other Financial Liabilities		0.00	0.00
(B) Provisions	14	41,55,713.70	33,64,190.00
(C) Deferred Tax Liabilities (Net)	15	2,12,69,333.00	1,704,2131.00
(D) Other Non-current Liabilities	16	4,20,521.00	4,07,282.00
3. Current Liabilities			
(A) Financial Liabilities			
(i) Borrowings	17	5,69,45,329.74	6,09,68,631.38
(ii) Trade Payables	18	12,97,60,095.18	16,31,90,295.92
(iii) Other Financial Liabilities		0.00	0.00
(B) Other Current Liabilities	19	46,40,970.00	1,07,81,356.00
(C) Provisions	20	1,70,84,823.75	1,67,40,064.85
(D) Current Tax Liabilities (Net)		0.00	0.00
Total Equity & Liabilities		<u>77,93,20,681.30</u>	<u>67,78,70,067.60</u>
Significant Accounting Policies and Notes on Financial Statements	A to W & 1 to 36		

As per our Report of even date.

For SANJEEVANI RAIZADA & CO.

Chartered Accountants

Firm Registration No. 021960C

SANJEEVANI RAIZADA

Proprietor

Membership No. 414542

UDIN : 20414542AAAAABM7618

Place : Kanpur

Date : 19.07.2020

For and on behalf of Board of Directors

K. L. BHATIA

Chairman & Managing Director

KAPIL BHATIA

Managing Director

DHRUV BHASIN

Company Secretary

NEERAJ BHATIA

CFO

SANJAY NIGAM

Manager Accounts

PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

	Note No.	Figure as at 31st March, 2020 Rs.	Figure as at 31st March, 2019 Rs.
INCOME			
I. Revenue From Operations	21	99,87,48,221.10	83,27,27,585.72
Other Income	22	90,25,145.65	56,38,817.45
Total Income		1,00,77,73,366.75	83,83,66,403.17
II. Expenses			
Cost of Material Consumed	23	41,72,75,561.94	37,36,18,577.24
Changes in Inventories of Finished Goods And Work-in-Progress	24	(1,35,33,249.75)	(1,25,50,396.51)
Employee Benefit Expenses	25	2,94,71,206.89	2,51,66,698.00
Finance Cost	26	64,92,040.17	83,15,119.71
Depreciation and Amortisation Expenses	27	2,39,37,418.51	2,21,58,380.19
(a) Manufacturing and Operating Cost	28	21,56,07,170.07	18,36,89,574.48
(b) Other Expenses	29	15,29,00,088.58	13,49,50,281.71
Total Expenses		83,21,50,236.41	73,53,48,234.82
III. Profit/(Loss) Before Exceptional Items And Tax		17,56,23,130.34	10,30,18,168.35
IV. Exceptional Items		0.00	0.00
V. Profit/(Loss) Before Tax		17,56,23,130.34	10,30,18,168.35
VI. Tax Expenses /(Credit)			
(1) Current Tax		3,09,89,839.00	2,27,07,239.00
(2) Deferred Tax		42,27,202.00	(37,16,335.00)
VII. Profit (Loss) For The Year		14,04,06,089.34	8,40,27,264.35
VIII. Other Comprehensive Income			0.00
Items That Will Not Be Reclassified to Profit or Loss			
Re-Measurement Gain on Defined Benefit Obligation		(1,32,879.17)	15,46,550.88
Income Tax Relating to Above		0.00	(4,30,250.00)
Total Other Comprehensive Income (Net of Tax)		(1,32,879.17)	11,16,300.88
IX. Total Comprehensive Income for the year (vii+viii)		14,02,73,210.17	8,51,43,565.23
X. Earning Per Share	30		
Basic & Diluted (Face Value of Rs.10/- Per Equity Shares)		35.62	21.62
Significant Accounting Policies and Notes on Financial Statements	A to W & 1 to 36		

As per our Report of even date.
For SANJEEVANI RAIZADA & CO.
Chartered Accountants
Firm Registration No. 021960C
SANJEEVANI RAIZADA
Proprietor
Membership No. 414542
UDIN : 20414542AAAABM7618
Place : Kanpur
Date : 19.07.2020

For and on behalf of Board of Directors

K. L. BHATIA
Chairman & Managing Director

KAPIL BHATIA
Managing Director
DHRUV BHASIN
Company Secretary

NEERAJ BHATIA
CFO
SANJAY NIGAM
Manager Accounts

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

	As at 31.03.2020	(Amount in Rs.) As at 31.03.2019
A) Cash Flow From Operating Activities :		
Net Profit Before Tax as per Statement of Profit and Loss	17,54,90,251.17	10,45,64,719.23
Item Adjustment For :-		
Depreciation & Amortisation Expenses	2,39,37,418.51	2,21,58,380.19
Finance Cost	64,92,040.17	83,15,119.71
Rental Income	(34,53,000.00)	(32,52,720.00)
Interest Income	(18,56,364.55)	(9,43,736.45)
Input Credit of Central Excise & Refund of GST	(10,43,992.00)	(14,17,164.00)
Dividend Recd	(20,620.49)	0.00
Capital Gain Recd.	(26,51,168.61)	0.00
Loss on Sale of Car Taken As Extra Ordinary Item	1,65,230.00	5,25,820.00
Hire Charges	11,16,776.91	10,92,767.30
Operating Profit Before Working Capital Changes	19,81,76,571.11	13,10,43,185.98
Adjustment For :-		
Inventories	2,14,58,744.31	(3,41,77,133.43)
Sundry Debtors	(4,29,81,017.23)	(1,28,73,320.11)
Loan & Advances	(65,11,808.34)	(1,33,26,618.57)
Sundry Creditors	(3,34,30,200.74)	3,43,87,903.61
Sundry Provisions	(49,90,864.40)	66,05,297.25
Cash Generated From Operations	13,17,21,424.71	11,16,59,314.73
Extra Ordinary Items	(1,65,230.00)	(5,25,820.00)
Tax Paid	(3,09,89,839.00)	(2,31,37,489.00)
Net Cash (Used in) from Operating Activities (A)	10,05,66,355.71	8,79,96,005.73
(B) Cash Flow From Investing Activities :		
Purchase of Property, Plant And Equipments	(6,78,55,651.37)	(3,33,53,019.70)
Sale of Property, Plant And Equipments	3,65,230.00	17,52,820.00
Investment	(1,65,29,264.65)	(1,33,16,300.98)
Interest Received	18,56,364.55	9,43,736.45
Input Credit of Central Excise Duty on Stock	10,43,992.00	14,17,164.00
Dividend Recd.	20,620.49	0.00
Capital Gain Recd.	26,51,168.61	0.00
Rent Received	34,53,000.00	32,52,720.00
Net Cash (Used in)/from Investing Activities (B)	(7,49,94,540.37)	(3,93,02,880.23)

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020 (Contd..)

	As at 31.03.2020	(Amount in Rs.) As at 31.03.2019
C) Cash Flow From Financing Activities		
Proceeds From Share Capital	0.00	0.00
Proceeds/(Repayment) From Long Term Borrowings	40,73,079.31	(3,00,58,636.50)
Proceeds/(Repayment) of Short Term Borrowing	(40,23,301.64)	(45,52,665.07)
Dividend Paid (Including Dividend Distribution Tax)	(44,68,511.00)	(46,20,031.00)
Corporate Social Responsibility Exps.	(2,10,000.00)	0.00
Interest Paid (Bank & Loan)	(64,92,040.17)	(83,15,119.71)
Hire Charges	(11,16,776.91)	(10,92,767.30)
Net Cash(used In)/From Financing Activities (C)	(1,22,37,550.41)	(4,86,39,219.58)
Net (Decrease)/Increase in Cash And		
Cash Equivalents (A+B+C)	1,33,34,264.93	53,905.92
Cash And Cash Equivalents-opening	1,26,09,527.98	1,25,55,622.06
Cash And Cash Equivalents-closing	2,59,43,792.91	1,26,09,527.98

As per our Report of even date.
For SANJEEVANI RAIZADA & CO.
Chartered Accountants
Firm Registration No. 021960C
SANJEEVANI RAIZADA
Proprietor
Membership No. 414542
UDIN : 20414542AAAABM7618
Place : Kanpur
Date : 19.07.2020

For and on behalf of Board of Directors

K. L. BHATIA
Chairman & Managing Director

KAPIL BHATIA
Managing Director
DHRUV BHASIN
Company Secretary

NEERAJ BHATIA
CFO
SANJAY NIGAM
Manager Accounts

STATEMENT OF CHANGE IN EQUITY AS ON 31st MARCH, 2020

(Amount in Rs.)

Particulars	Figures As At 31.03.2020	Figures As At 31.03.2019
(A) EQUITY SHARE CAPITAL :		
(Including Share Forfeiture)		
Balance at the beginning of the Reporting Year	3,96,32,100.00	3,96,32,110.00
Balance at the end of the Reporting Year	3,96,32,100.00	3,96,32,110.00

(B) OTHER EQUITY:

(Amount in Rs.)

Particulars	Security Premium Account	General Reserve	Surplus	Total
Balance As At 1st April, 2018	2,20,28,000.00	2,00,00,000.00	21,54,80,328.75	25,75,08,328.75
Profit for the year	—	—	8,40,27,264.35	8,40,27,264.35
Other Comprehensive Income	—	—	11,16,300.88	11,16,300.88
Total Comprehensive Income For The Year	—	—	8,51,43,565.23	8,51,43,565.23
Dividend Paid	—	—	(39,38,511.00)	(39,38,511.00)
Dividend Distribution Tax	—	—	(6,81,520.00)	(6,81,520.00)
Balance As At 31st March, 2019	2,20,28,000.00	2,00,00,000.00	29,60,03,862.98	33,80,31,862.98
Profit for the year	—	—	14,04,06,089.34	14,04,06,089.34
Other Comprehensive Income	—	—	(1,32,879.17)	(1,32,879.17)
Total Comprehensive Income For The Year	—	—	14,02,73,210.17	14,02,73,210.17
Dividend Paid	—	—	(43,32,362.00)	(43,32,362.00)
Dividend Distribution Tax (F.Y. 2018-19)	—	—	(1,36,149.00)	(1,36,149.00)
Corporate Social Responsibility Exps.	—	—	(2,10,000.00)	(2,10,000.00)
Balance As At 31st March, 2020	2,20,28,000.00	2,00,00,000.00	43,15,98,562.15	47,36,26,562.15
Earning Per Equity Share of Rs.10 Each				35.62

As per our Report of even date.
For SANJEEVANI RAIZADA & CO.
Chartered Accountants
Firm Registration No. 021960C
SANJEEVANI RAIZADA
Proprietor
Membership No. 414542
UDIN : 20414542AAAAABM7618
Place : Kanpur
Date : 19.07.2020

For and on behalf of Board of Directors

K. L. BHATIA
Chairman & Managing Director
KAPIL BHATIA
Managing Director
NEERAJ BHATIA
CFO
DHARUV BHASIN
Company Secretary
SANJAY NIGAM
Manager Accounts

NOTES ON IND AS AUDITED FINANCIAL STATEMENT FOR THE PERIOD ENDED 31st MARCH, 2020

1. It has been further informed to us by the management of Company that due to change in Market Value of Investment in Mutual Funds and Equity shares as on 31st March 2020, there are changes in value as under which has been duly mentioned in Note no. 2 on Financial Statement of Non-Current Investment.

(Amount in Rs.)

Particulars	Current Value	Market Value	Change
ICICI Prudential Liquid Fund (G) (3,824.737 Units @292.5002)	10,00,000.00	11,18,736.34	1,18,736.34
ICICI Prudential Overnight Fund (G) (2,51,435.814 Units @107.5857)	2,70,50,898.10	2,70,54,644.45	3,746.35
S.B.I. Dual Advantage Fund (2,00,000 Units @10.80)	20,00,000.00	21,60,000.00	1,60,000.00
HDFC Corporate Bond Fund (6,12,895.145 Units @22.9139)	1,30,00,000.00	1,40,43,818.07	10,43,818.07
HDFC Arbitrage Fund (1,40,120.713 Units @10.808)	15,20,620.49	15,14,424.67	(6,195.82)
Total	4,45,71,518.59	4,58,91,623.53	13,20,104.94

Investment In Shares	(Amount In Rs.)		
Cipla Ltd. – Shares (300 Shares @423.20)	1,21,248.29	1,26,960.00	5,711.71
Colgate Palmolive – Shares (100 Shares @1252.95)	1,16,854.65	1,25,295.00	8,440.35
Britannia Industries Ltd. – Shares (75 Shares @2689.65)	1,88,215.25	2,01,723.75	13,508.50
Dabur India – Shares (100 Shares @450.25)	42,776.25	45,025.00	2,248.75
Dr. Reddy Labs – Shares (50 Shares @3117.10)	1,39,788.87	1,55,855.00	16,066.13
HDFC Amc Limited – Shares (25 Shares @212.15)	54,081.76	52,803.75	(1,278.01)
HDFC Life Ins Co Ltd – Shares (100 Shares @441.35)	45,831.44	44,135.00	(1,696.44)
Hindustan Unilever Ltd. – Shares (50 Shares @2298.15)	93,918.30	1,14,907.50	20,989.20
Infosys Technologies – Shares (100 Shares @640.20)	64,140.94	64,020.00	(120.94)
ITC – Shares (150 Shares @164.00)	24,245.86	24,600.00	354.14
Ril – Shares (50 Shares @1102.44)	54,463.93	55,122.00	658.07
Siemens – Shares (50 Shares @1113.00)	54,854.25	55,650.00	795.75
Tata Consultancy Ltd. – Shares (50 Shares @1837.40)	90,205.44	91,870.00	1,664.56
Total	10,90,625.23	11,57,967.00	67,341.77

FORTIETH ANNUAL REPORT

The presentation of Non-Current Investments & Other Comprehensive Income as follows:

(Amount in Rs.)

Particulars	Figures As At 31.03.2020	Figures As At 31.03.2019
Non-Current Investments;		
ICICI Prudential Equity Arbitrage Fund (G)	0.00	20566083.57
ICICI Prudential Liquid Fund (G)	10,84,160.34	1038547.09
ICICI Prudential Overnight Fund (G)	2,70,55,357.45	0.00
S.B.I. Dual Advantage Fund	21,13,408.00	2060429.00
HDFC Corporate Bond Fund	1,37,39,858.07	6451241.22
HDFC Arbitrage Fund	15,14,424.67	0.00
Cipla Ltd. – Shares	1,25,297.00	0.00
Colgate Palmolive – Shares	1,22,837.00	0.00
Britannia Industries Ltd.– Shares	1,98,691.75	0.00
Dabur India – Shares	44,370.00	0.00
Dr Reddy Labs – Shares	1,51,177.00	0.00
HDFC Amc Limited – Shares	52,803.75	0.00
Hdfc Life Ins Co Ltd – Shares	44,135.00	0.00
Hindustan Unilever Ltd. – Shares	1,08,795.50	0.00
Infosys Technologies – Shares	64,020.00	0.00
ITC – Shares	24,497.00	0.00
Ril – Shares	54,930.00	0.00
Siemens – Shares	55,418.00	0.00
Tata Consultancy Ltd. – Shares	91,385.00	0.00
Total	4,66,45,565.53	30116300.88
Other Comprehensive Income (OCI) as on 31st March, 2020	31.03.2020	31.03.2019
Items that will be reclassified to Profit and loss account:	Amount (Rs.)	Amount (Rs.)
(i) Fair Value gain on investment (mutual fund) through OCI	(2,26,445.94)	13,20,104.94
(ii) Income Tax expenses on net fair value gain on investment	(45,835.00)	3,84,415.00
Net increase /(Decrease) in Profit & Loss	(180,610.94)	9,35,689.94
(i) Fair Value gain on investment (Shares) through OCI	67,341.77	67,341.77
(ii) Income Tax expenses on net fair value gain on investment	19,610.00	19,610.00
Net increase /(Decrease) in Profit & Loss	47,731.77	47,731.77
TOTAL		
(i) Fair Value gain on investment through OCI	(1,32,879.17)	13,87,446.71
(ii) Income Tax expenses on net fair value gain on investment	0.00	4,04,025.00
Net increase /(Decrease) in Profit & Loss	(1,32,879.17)	9,83,421.71

SIGNIFICANT ACCOUNTING POLICIES

Company Overview

FRONTIER SPRINGS LTD. is a Listed Public Limited Company having its Registered office at KM-25/4 Kalpi Road Rania Kanpur-Dehat and is mainly engaged in the production of L.B.Springs and Hot Coiled Compression Spring and forging items for Wagon, Locomotives and Carriage and are regularly supplying to Railways, Bogie Manufactures, Chittaranjan Locomotive Works, Diesel Locomotive Works, Integrate Coach Factory, Rail Coach Factory. In addition to the supply to the Railways, the Unit is also supplying the Springs to Heavy Engineering Industries & original Earth Movers Equipment manufacturers i.e. BEML, TELCON, Bharat Heavy Electricals Ltd.

Since last about 33 years FRONTIER SPRINGS LTD. is registered with RDSO (Ministry of Railways) for supply of springs to Indian Railways and the unit has developed large number of springs as per the latest specification of the RDSO.

The Company has set up three plants to meet the demand requirements of the above stated Industries at 1. KM-25/4, Rania Kanpur Dehat, 2. 91/2, Kunja, Paonta Sahib, Sirmaor Himanchal Pradesh, 3. Forging Unit at KM-25/4, Rania Kanpur Dehat

A. Basis of Preparation of Financial Statements

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed by the Companies (Accounting Standards) Rules, 2006, the provisions of the Companies Act, 2013 and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

B. Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/ materialised.

C. Property, Plant and Equipment

Tangible Assets are stated at cost net of recoverable taxes and includes amounts added on revaluation, less accumulated depreciation and impairment loss, if any. All costs, including financing costs till commencement of commercial production, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the fixed assets are capitalized.

D. Leased Assets

As informed by the Management, the Company has a lease hold land allotted by U.P.S.I.D.C. situated at E-14, Panki Industrial Area, Site no. I, Kanpur

E. Intangible Assets

As informed by the Management, the Company has no Intangible Assets.

F. Depreciation and Amortisation

Depreciation on fixed assets is provided on the straight-line method over the useful lives of assets estimated by the Management. Depreciation for assets purchased / sold during a period is proportionately charged. Individual low cost assets (acquired for ₹ 5,000/- or less) are depreciated as per the rates prescribed in Schedule II of the Companies Act, 2013, over a period of one year from the date of acquisition.

G. Impairment of Assets

As informed by the Management, there is no indication of impairment in assets. (as it occurs where carrying value exceeds the present value of future cash flows expected to arise from the continuing use of the assets and its eventual disposal).

H. Foreign Currency Transactions

Foreign-currency denominated monetary assets and liabilities are translated at exchange rates in effect at the date of the transaction. The gains or losses resulting from such transactions are included in the Statement of Profit and Loss. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of transaction.

Revenue, expense and cash-flow items denominated in foreign currencies are translated using the exchange rate in effect on the date of the transaction. Transaction gains or losses realized upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled.

I. Investments

Trade investments are the investments made to enhance the Company's business interests. Investments are either classified as current or long-term based on Management's intention at the time of purchase and there is no current investment. Long term investments are carried at cost less provisions recorded to recognize any decline, other than temporary, in the carrying value of each investment.

J. Inventories

(i) Value of Raw Materials, Stores & Spares and packing material are ascertained at cost on FIFO basis, Work in Process is valued at conversion cost exclusive of GST/Excise duty, Scrap are valued at Net Realisable value and Finished goods are valued at Net Realisable value.

(ii) Valuation of Closing Stock of Finished Goods & Scrap:

Closing stock of Finished Goods & Scrap amounting to Rs.2,87,40,232.35 (Pre.Yr. Rs.1,15,00,230.53 of closing stock of finished goods & scrap).

K. Revenue Recognition

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operations includes sale of goods, sales tax, service tax, excise duty, GST and sales during trial run period, adjusted for discounts (net), Value Added Tax (VAT) & GST and gain / loss on corresponding hedge contracts. Dividend income is recognized when right to receive is established. Interest income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

L. Excise Duty / Service Tax and Sales Tax / Value Added Tax and GST.

Excise duty / Service tax / Sales tax and GST are accounted on the basis of both, payments made in respect of goods cleared / services provides as rental income received and job-work received.

M. Retirement benefits to employees**Gratuity**

In accordance with the Payment of Gratuity Act, 1972, the Company provides for gratuity, a defined benefit retirement plans ('the Gratuity Plan') covering eligible employees. The Gratuity Plan provides a lump-sum payment to vested employees at retirement, death, incapacitation or termination of employ-

ment, of an amount based on the respective employee's salary and the tenure of employment with the Company.

Liabilities with regard to the Gratuity Plan are determined by actuarial valuation at each Balance Sheet date using the projected unit credit method. The Company fully contributes all ascertained liabilities to the Frontier Springs Limited Employees' Gratuity Fund Trust (the Trust). Trustees administer contributions made to the Trust and contributions are invested in specific investments as permitted by the law. The Company recognizes the premium payable on account of said policy is charged to profit & loss account, respectively in accordance with Accounting Standard (AS) 15, 'Employee Benefits'.

Provident fund

Eligible employees receive benefits from a provident fund, which is a defined benefit plan. Both the employee and the Company make monthly contributions to the provident fund plan equal to a specified percentage of the covered employee's salary.

The Company's contribution to Provident Fund and Family Pension Fund is charged to Profit & Loss account.

N. Employee Separation Costs

Compensation if any paid to employees who have opt for retirement from the Company is charged to the Profit and Loss account in the year of exercise of option.

Q. Borrowing Costs

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to Profit and Loss account.

P. Financial Derivatives and Commodity Hedging Transactions

In respect of derivative contracts, premium paid, gains / losses on settlement and losses on restatement, if any are recognized in Balance Sheet, except in case where they relate to the acquisition or construction of fixed assets, in which case, they are adjusted to the carrying cost of such assets.

Q. Accounting for Oil and Gas Activity

The Company has adopted Full Cost Method of accounting for consumption of Furnace oil, Diesel and Gas as well as the expenditure is accounted on the basis of available information.

R. Provision for Current and Deferred Tax

Provision for current tax is made after taking into consideration benefits admissible under the provisions of the Income-tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the balance sheet date. Deferred tax asset is recognized and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

S. Premium on Redemption of Bonds / Debentures

Company has not issued any Bonds / Debentures, since its incorporation.

T. Provisions, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

The Company is contingently liable towards Bank Guarantee provided to the tune of Rs. 649.44 lacs in favour of Indian Railways and H.P.S.E.B. and contingently liable towards Letter of credit provided to the tune of Rs.494.23 lacs in favour of M/s Sun Flag Iron & Steel Co. Ltd., M/s Deepa Sales, Bhushan Power & Steels Ltd. & Behari Lal Ispat Pvt. Ltd. (Prev. Yr. Bank guarantee of Rs. 73.23 lacs in favour of Indian Railways and H.P.S.E.B. and Letter of credit of Rs.778.45 lacs in favour of M/s Sun Flag Iron & Steel Co. Ltd., M/s Deepa Sales, Bhushan Power & Steels Ltd. & Behari Lal Ispat Pvt. Ltd.

U. Earnings per share

Basic earnings per share are computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic Earnings Per Share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The diluted potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value which is the average market value of the outstanding shares. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

V. Cash and cash Equivalents

Cash and cash equivalents comprise cash and cash on deposit with banks and corporations. The Company considers all highly liquid investments with a remaining maturity at the date of purchase of three months or less and that are readily convertible to known amounts of cash to be cash equivalents.

W. Cash Flow Statement

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020

1. PROPERTY, PLANT & EQUIPMENTS

Name of Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK			
	Cost as on 01.04.2019	Addition during the year	Trf./Adjustment during the year	Total as on 31.3.2020	Upto 31.03.2019	For the Year	Trf./ Adjustment For year	Total as on 31.03.2020	Balance as on 31.03.2020	Balance as on 31.03.2019		
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.		
Lease Hold Land (Panki)	1,65,621.02	-	-	1,65,621.02	0.00	0.00	0.0	0.00	1,65,621.02	1,65,621.02		
Free Hold Land	3,25,53,931.00	-	-	3,25,53,931.00	0.00	0.00	0.00	0.00	3,25,53,931.00	3,25,53,931.00		
Building	9,91,92,561.61	1,08,07,398.18	-	10,99,99,959.79	1,85,46,269.35	29,76,788.00	-	2,15,23,057.35	8,84,76,902.44	8,06,46,292.26		
Plant & Machinery	19,87,71,247.97	2,82,77,532.35	-	22,70,48,780.32	8,84,40,873.00	1,03,35,558.00	-	9,87,76,431.00	12,82,72,349.32	11,03,30,374.97		
Tools Moulds & Rolls (Iron)	3,14,51,707.04	51,44,850.48	-	3,65,96,557.52	99,98,790.98	18,61,651.00	-	1,18,60,441.98	2,47,36,115.54	2,14,52,916.06		
Generator	79,35,525.70	21,61,186.00	-	1,00,96,711.70	28,94,596.06	5,58,898.00	-	34,53,494.06	66,43,217.64	50,40,929.64		
Lab & Testing Equipments	1,33,53,053.75	42,744.08	-	1,33,95,797.83	72,79,984.83	11,42,436.46	-	84,22,421.29	49,73,376.54	60,73,068.92		
Office Equipments	65,53,861.57	18,00,290.82	-	83,54,152.39	45,27,630.61	8,31,125.09	-	53,58,755.70	29,95,396.69	20,26,230.96		
Electric Filings & Equipments	1,56,89,501.47	5,17,655.78	-	1,62,07,157.25	69,62,944.31	13,96,509.83	-	83,59,454.14	78,47,703.11	87,26,557.16		
Furniture & Fixture	90,28,618.66	1,22,752.50	-	91,51,371.16	42,99,598.87	6,30,322.49	-	49,29,921.36	42,21,449.80	47,29,019.79		
Vehicles	3,40,52,487.58	74,27,358.00	10,01,099.00	4,04,78,746.58	1,31,22,199.60	38,31,167.07	635869.00	1,63,17,497.67	2,41,61,248.91	2,09,30,287.00		
Commercial Vehicles	0.00	13,24,000.00	-	13,24,000.00	0.00	65,323.00	-	65,323.00	12,58,677.00	0.00		
Computer	42,60,992.17	1,29,900.58	-	43,90,892.75	34,87,145.27	1,80,672.57	-	36,67,817.84	7,23,074.91	7,73,846.90		
Solar Power Plant	46,85,142.00	0.00	-	46,85,142.00	77,572.00	1,26,967.00	-	2,04,539.00	44,80,603.00	46,07,570.00		
Total	45,76,94,251.54	5,77,55,668.77	10,01,099.00	51,44,48,821.31	15,96,37,604.88	2,39,37,418.51	635869.00	18,29,39,154.39	33,15,09,666.92	29,80,56,645.68		
Previous Year	42,78,99,152.47	3,27,09,820.08	29,14,722.00	45,76,94,250.55	13,86,41,126.69	2,21,58,380.19	1161902.00	15,96,37,604.88	29,80,56,645.68			
Capital Work In Progress								1,41,19,341.64		40,19,359.02		

1.1 Capital Work-in-Progress of Rs. 1,41,19,341.64 includes:

- i) Rs.90,92,172.64 on account of building Work-in-progress for work-shed for Forging div. and Rs. 50,27,169.00 on account of Plant & machinery for springs unit at Rania. at paonta unit.)
(Previous year Rs.10,46,404.00 on account of building Work-in-progress for construction of room at Rania and Rs. 29,72,955.02 on account of building work-in-progress for construction of work-shed at paonta unit.)

As per our Report of even date.
For SANJEEVANI RAZADA & CO.
Chartered Accountants
Firm Registration No. 021960C
SANJEEVANI RAZADA
Proprietor

Place : Kanpur
Date : 19.07.2020

K. L. BHATIA
Chairman & Managing Director

KAPIL BHATIA
Managing Director

NEERAJ BHATIA
CFO

DHRUV BHASIN
Company Secretary

SANJAY NIGAM
Manager Accounts

FORTIETH ANNUAL REPORT

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020

The previous year figures have been regrouped/reclassified, wherever necessary to conform to the current year presentation.

Particulars	Figure as at 31st March, 2020 Rs.	Figure as at 31st March, 2019 Rs.
NON-CURRENT ASSETS:-		
2. NON-CURRENT INVESTMENTS		
ICICI Prudential Equity Arbitrage Fund (G)	0.00	2,05,66,083.57
ICICI Prudential Liquid Fund (G)	10,84,160.34	10,38,547.09
ICICI Prudential Overnight Fund (G)	2,70,55,357.45	0.00
S.B.I. Dual Advantage Fund	21,13,408.00	20,60,429.00
HDFC Corporate Bond Fund	1,37,39,858.07	64,51,241.22
HDFC Arbitrage Fund	15,14,424.67	0.00
Cipla Ltd. - Shares	1,25,297.00	0.00
Colgate Palmolive - Shares	1,22,837.00	0.00
Britannia Industries Ltd. - Shares	1,98,691.75	0.00
Dabur India - Shares	44,370.00	0.00
Dr Reddy Labs - Shares	1,51,177.00	0.00
HDFC Amc Limited - Shares	52,803.75	0.00
HDFC Life Ins Co Ltd - Shares	44,135.00	0.00
Hindustan Unilever Ltd. - Shares	1,08,795.50	0.00
Infosys Technologies - Shares	64,020.00	0.00
ITC - Shares	24,497.00	0.00
Ril - Shares	54,930.00	0.00
Siemens - Shares	55,418.00	0.00
Tata Consultancy Ltd. - Shares	91,385.00	0.00
Total	4,66,45,565.53	3,01,16,300.88
3. NON-CURRENT LOANS		
(Unsecured And Considered Good)		
(a) Advance For Capital Items	31,52,877.00	31,52,877.00
(b) Income Tax Refund (A.Y. 2018-19)	3,807.00	3,807.00
Total	31,56,684.00	31,56,684.00
3.1 Advance for capital items of Rs.31,52,877/- advance to Unitech Limited on account of booking of a flat at Gurgaon. (Prev.Yr.Rs.31,52,877/- advance on account of booking of a flat at Gurgaon.)		
Particulars	Figure as at 31st March, 2020 Rs.	Figure as at 31st March, 2019 Rs.
4. OTHER NON-CURRENT ASSETS;		
(i) Debts due for more than one year	55,23,329.08	53,90,062.00
Total	55,23,329.08	53,90,062.00

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020

Particulars	Figure as at 31st March, 2020 Rs.	Figure as at 31st March, 2019 Rs.
CURRENT ASSETS:-		
5. INVENTORIES		
1. Raw Material	4,02,65,503.72	7,23,86,396.81
2. Stock-in-progress	7,66,16,641.34	8,03,23,393.41
3. Finished Goods	2,39,01,137.96	96,86,928.76
4. Finishe D Goosd(Roofing Sheets)	5,62,472.19	5,62,472.19
5. Scrap	42,76,622.20	12,50,829.58
6. Furnace Oil	4,93,208.62	11,30,601.16
7. Diesel Oil	1,56,061.42	7,22,174.41
8. Consumable Stores	1,55,36,239.13	1,19,95,955.71
9. Packing Material	4,34,255.88	3,06,889.74
10. Stock-in-transit	2,53,150.00	55,88,395.00
Total	16,24,95,292.46	18,39,54,036.77
6. CURRENT INVESTMENTS;		
Total	0.00	0.00
7. SUNDRY DEBTORS		
(Unsecured but considered good holding no Security Other Than Debtors Personal Security)		
Debts Due For Less Than Six Months	15,24,36,472.56	11,02,19,918.00
Debts Due For More Than Six Months	50,63,897.67	42,99,435.00
Total	15,75,00,370.23	11,45,19,353.00
8. CASH AND CASH EQUIVALENTS		
(A) Cash In Hand (As Certified By Management)	5,787.00	46912.80
(B) Balance With H.D.F.C. Bank Ltd.	0.00	113773.39
(C)Balance With S.B.I. Sme A/C	84,88,804.54	188046.62
(D) Balance With S.B.I. Sme A/C (Paonta Sahib Unit)	4,79,894.12	340766.12
(E) Balance With S.B.I. Sme A/C 34459113680 (Paonta)	37,452.79	342246.59
(F) Balance With S.B.I. Sme A/C (Forging Div.)	2,20,459.26	531540.26
(G) Balance With Yes Bank Ltd. (Un-claimed Dividend)	0.00	407282.00
(H) Balance With S.B.I. C/A A/C (351351103258), Poanta	385.20	385.20
(I) Balance With S.B.I. C/A (Dividend)	4,22,010.00	0.00
(J) Balance With S.L.C. A/C	351.00	0.00
(K) Margin Money With S.B.I. Agst. L/C & B.g.	1,36,88,649.00	9638575.00
(L) S.t.d.r. With S.B.I. Paonta Sahib	26,00,000.00	1000000.00
Total	2,59,43,792.91	12609527.98

8.1 Balance with YES Bank Ltd. of Rs. 4,07,282.00 as on 31.03.2019 is on account of Unpaid Dividend for the period 2011-12 is transferred to Investor Education and Protection Fund. And Un-claimed dividend (2019-20) amount Rs. 4,20,521.00 is out of balance with SBI (dividend A/c) Rs.4,22,010.00.

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020

Particulars	Figure as at 31st March, 2020 Rs.	Figure as at 31st March, 2019 Rs.
9. CURRENT LOANS AND ADVANCES		
(Unsecured But Considered Good)		
I) Advance For Capital Items	63,59,858.00	52,11,042.52
II) Security Deposit	1,63,93,139.00	1,15,75,885.00
III) Advance To Trade Supplier	14,42,635.13	6,01,227.97
IV) Advance To Staff Agst.salary	22,11,813.19	21,24,222.86
V) Advances For Expenses	43,841.00	51,417.76
VI) Prepaid Expenses	12,71,176.00	10,45,408.00
VII) Income Tax Refund (A.y.2019-20)	39,844.00	0.00
VIII) Income Tax Refund (A.y.2020-21)	21,48,367.00	0.00
Total	2,99,10,673.32	2,06,09,204.11

9. (i) Advance for Capital items of Rs. 63,59,858.00 include as under:

- i) Rs. 5,36,000/- advance to supplier for repairing of furnace, advance Rs.5,00,000/- for crack dedection machine, advance Rs. 4,42,930/- for spares of load testing machine & other machine and advance Rs.1,01,000/- for building repairing & maintenance. and Rs. 17,46,522/- to supplierof building material and building construction wokshop-shed.,advance Rs. 20,12,156/- for supply of electrical pannel and power press machine. Advance Rs. 7,84,000/- for grinder machine and advance Rs. 2,37,250/- for building construction of work-shed.

(Pre.Yr. Rs. 17,09,660.52 advance for Straightening machine, Rs. 4,10,382.00 advance to supplier for repairing of furnace and Rs. 29,51,000/- to supplierof building material and building construction of wokshop-shed and Rs.1,40,000/-given advance to supplier on account of spares for furnace repairing.

9. (ii) Security deposits of Rs.1,63,93,139.00 include as under:

- i) Rs.18,65,443/- deposit for electricity with U.P.S.E.B. and H.P.S.E.B. (Prev.Yr. Rs.18,49,698/-), and Rs. 8,000/- with Central Excise (Prev. Rs.8,000.00).
- ii) Rs.1,40,78,360/- deposit with Indian Railway against warrantee (Prev.Yr.Rs.91,00,320/-), Rs.30,505/- deposit for gas cylendar with IOC (Prev.Yr.Rs.30,505/-) and Rs. 2,45,781/- deposit with sales tax. (Prev. Yr. Rs. 2,44,112/).
- iii) Rs.63,250/- deposit for Telephone with BSNL (Prev. Yr. Rs.63,250/-) and Rs. 10,000/-deposit to Stanadard Chartered Bank for transfer of shares. (Prev. Yr. Rs.10,000/-) and Rs. 91,800/- deposit against rent. And (Pre.Yr. Rs. 2,70,000/-)

Particulars	Figure as at 31st March, 2020 Rs.	Figure as at 31st March, 2019 Rs.
10. OTHER CURRENT ASSETS		
Accrued Interest On Std'r With Bank	3,61,819.00	1,05,899.87
Electronic Cash Ledger Account	6,55,012.59	12,59,341.59
IGST Input	14,29,400.00	39,02,412.68
CGST Input	34,044.00	76,796.05
SGST Input	34,044.00	76,796.05
TDS (IGST)	0.00	14,674.00
Trusties Fsl Employee's Group Gratuity A/C	1,645.62	2,973.92
Total	25,15,965.21	54,38,894.16

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020

Particulars	Figure as at 31st March, 2020 Rs.	Figure as at 31st March, 2019 Rs.
EQUITY & LIABILITIES:		
11. SHARE CAPITAL		
Authorised Capital:		
50,00,000 Equity Shares of Rs.10/-each	5,00,00,000.00	5,00,00,000.00
10,000 12% Redeemable Preference Shares of Rs. 100/- Each Redeemable After 5 Years	10,00,000.00	10,00,000.00
Total	5,10,00,000.00	5,10,00,000.00
Issued Capital		
39,87,911 Equity Shares of Rs. 10/- Each (Including 12,57,500 Shares Issued as Bonus)	3,98,79,110.00	3,98,79,110.00
Total	3,98,79,110.00	3,98,79,110.00
Subscribed and Paid Up Capital		
39,38,511 Equity Shares of Rs. 10/- Each Fully Paid Up (Including 12,57,500 Shares Issued as Bonus)	3,93,85,110.00	3,93,85,110.00
49,400 Forfeited Equity Share (Paid Up Rs.5/- Only)	2,47,000.00	2,47,000.00
Total	3,96,32,110.00	3,96,32,110.00

The Company has issued only one class of shares referred to as equity shares having a par value of Rs.10/-. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the Company, the share holders of equity shares will be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amounts exist currently. The proportion to the number of equity shares held by the shareholders.

SHARE CAPITAL	Figure As at 31.03.2020 Rs.	Figure As at 31.03.2019 Rs.
Authorised Capital:		
50,00,000 Equity Shares of Rs.10/- each	5,00,00,000.00	5,00,00,000.00
10,000 12% Redeemable Preference Shares of Rs. 100/- Each Redeemable After 5 Years	10,00,000.00	10,00,000.00
Issued Capital		
39,87,911 Equity Shares of Rs. 10/- Each (Including 12,57,500 Shares Issued As Bonus)	3,98,79,110.00	3,98,79,110.00
Subscribed And Paid Up Capital		
39,38,511 Equity Shares of Rs. 10/- Each (Including 12,57,500 Shares Issued As Bonus)	3,93,85,110.00	3,93,85,110.00
49,400 Share Forfeiture (Paid Up Rs.5/- Only)	2,47,000.00	2,47,000.00

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020

Particulars	Figure as at 31st March, 2020 Rs.	Figure as at 31st March, 2019 Rs.
A) Share Held by Ultimate Holding Company and its Subsidiaries	Not Applicable	Not Applicable
B) Reconciliation of Share outstanding balance at the	No. of Shares/ Amount	No. of Shares/ Amount
Beginning of the year	3938511/39385110	3938511/39385110
Add : Issued during the year Balance at the end of the year	Nil	Nil
Balance at the end of the year	3938511/39385110	3938511/39385110
C) Details of Share Holders Holding more than 5% of the aggregate Share in the Company.		
	31.03.2020 No. of Shares	31.03.2019 No. of Shares
Name of Share Holders	31.03.2020 Amount	31.03.2019 Amount
1. Kundan Lal Bhatia	238500	326040
2. Kamla Bhatia	400321	255609
3. Kapil Bhatia	608139	608139
4. Neeraj Bhatia	552430	552430
Right, Preference and Restriction attached to shares	Nil	Nil
D) The Company has equity shares having par value of Rs.10/- Each shareholder is eligible for one vote per share held.		
12. OTHER EQUITY:		
Capital Reserve;		
Opening Balance	0.00	0.00
Add: Transferred From Surplus	0.00	0.00
Closing Balance	0.00	0.00
Securities Premium Account :		
(On 22,27,500 Equity Shares of Rs.10/- Each Per Share Including Premium Received @ 5/- on 49,400 Shares Forfeited)		
Opening Balance	2,20,28,000.00	2,20,28,000.00
Add: On Issue of Shares	0.00	0.00
Closing Balance	2,20,28,000.00	2,20,28,000.00
General Reserve;		
Opening Balance	2,00,00,000.00	2,00,00,000.00
Add : Transferred From Surplus	0.00	0.00
Closing Balance	2,00,00,000.00	2,00,00,000.00
Surplus;		
Opening Balance	29,60,03,862.98	21,54,80,328.75
Add : Net Profit After Tax Transferred From Statement Of Profit and Loss	14,02,73,210.17	8,51,43,565.23
Amount Available For Appropriation	43,62,77,073.15	30,06,23,893.98
Appropriations:		
Proposed Dividend	43,32,362.00	39,38,511.00
Dividend Distribution Tax	0.00	6,81,520.00
Dividend Distribution Tax (F.Y. 2018-19)	1,36,149.00	0.00
Corporate Social Responsibility Expenses	2,10,000.00	0.00
Closing Balance	43,15,98,562.15	29,60,03,862.98
Total	47,36,26,562.15	33,80,31,862.98

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020

Particulars	Figure as at 31st March, 2020 Rs.	Figure as at 31st March, 2019 Rs.
NON-CURRENT LIABILITIES:-		
FINANCIAL LIABILITIES		
13. NON-CURRENT BORROWINGS		
(i) Term Loans		
Secured Loan		
Axis Bank Ltd.	29,76,259.00	0.00
Bmw India Financial Services Ltd.	27,44,120.39	33,55,511.97
ICICI Bank Ltd.	22,04,884.00	28,26,996.00
Kotak Mahindra Prim. Ltd. Car Loan	25,77,911.00	27,89,707.00
Kotak Mahindra Prim.ltd. Vionger Loan	8,69,585.00	0.00
Mahindra & Mahindra Financial Services Ltd.	2,16,528.49	6,30,821.00
Toyota Finacial Services India Ltd.	3,50,362.00	11,44,259.00
(All Car Loan Against Hypothecation of Cars)		
State Bank Of India Term Loan A/C	1,57,47,204.00	80,52,233.00
(Term Loan Against Hypothecation of Building & Plant & Machinery)		
ICICI Bank Ltd.	96,279.10	4,67,588.80
Siemens Financial Services Pvt. Ltd.	40,02,089.80	55,03,729.70
(Term Loan Against Hypothecation of Plant & Machinery)		
Total	3,17,85,222.78	2,47,70,846.47
(ii) Inter Corporate Body Deposits	0.00	0.00
Total	0.00	0.00
(iii) Unsecured Loan		
Mamta Bhatia (Director)	0.00	1232197.00
Manju Bhatia (Director)	0.00	1709100.00
Total	0.00	29,41,297.00
Total	3,17,85,222.78	2,77,12,143.47
14. LONG-TERM PROVISIONS		
Provisions For Employee Benefits		
(i) Gratuity Payable	17,10,146.00	14,07,482.00
(ii) Leave Encashment Payable	24,45,567.70	19,56,708.00
Total	41,55,713.70	33,64,190.00

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020

15. DEFERRED TAX LIABILITIES (NET)

AS-22 issued by the Institute of Chartered Accountants of India, the major components of accumulated deferred tax assets & accumulated deferred tax liabilities recognised up to the current financial year is as under : -

S.No. Particulars	As At 31 st March, 2020		As At 31 st March, 2019	
	Accumulated Deferred tax Assets	Accumulated Deferred tax Liability	Accumulated Deferred tax Assets	Accumulated Deferred tax Liability
1. Unabsorbed depreciation and losses	—	—	—	—
2. Amount Add back u/s 43B Bonus Payable	4,40,754.00	—	3,58,722.00	—
Leave encashment payable	4,04,287.00	—	2,96,431.00	—
Gratuity Payable	1,18,702.00	—	7,33,187.00	—
3. Difference between book and tax depreciation	—	2,22,33,076.00	—	1,84,30,571.00
Total	9,63,743.00	2,22,33,076.00	13,88,440.00	1,84,30,571.00
Net Deferred Tax Liability	2,12,69,333.00		1,70,42,131.00	

The difference Deferred Tax Assets for the year ended 31st March,2020 Rs. 42,27,202.00 has been debited to Profit & Loss Account.

Particulars

**Figure as at
31st March, 2020
Rs.**

**Figure as at
31st March, 2019
Rs.**

16. OTHER NON-CURRENT LIABILITIES

(i) Un-claimed Dividend (2011-12)	0.00	4,07,282.00
(ii) Un-claimed Dividend (2018-19)	4,20,521.00	0.00
Total	4,20,521.00	4,07,282.00

CURRENT LIABILITIES:-

FINANCIAL LIABILITIES:-

17. CURRENT BORROWING

(i) Secured Working Capital Loan		
State Bank of India C/c A/c	4,08,94,357.74	3,07,21,394.38
(Against Hypothecation of Stock)		
State Bank of India Book Debts A/c	1,60,50,972.00	3,02,46,584.00
(Against Hypothecation of Book Debts)		
State Bank of India Slc A/c	0.00	653.00
(Against Hypothecation of Stock & Book Debts)		
Total	5,69,45,329.74	6,09,68,631.38

17. 1. Primary secured by the hypothecation of Company's entire current assets (both present and future) and the first charge on entire fixed assets of the Company inclusive of equitable mortgage of Factory land & building situated at E-14,Panki Industrial Area Kanpur, and first charge on entire fixed assets of the Company inclusive of equitable mortgage of factory land & building situated at KM-25/4, Kalpi Road, Rania Kanpur, also first charge on entire fixed assets of the Company inclusive of equitable mortgage of factory land & building situated at 91/2,Kunja Paonta shahib (H.P.). Loans are guaranteed by Directors Shri Kapil Bhatia, Shri Neeraj Bhatia.

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020

Particulars	Figure as at 31st March, 2020 Rs.	Figure as at 31st March, 2019 Rs.
18. TRADE PAYABLES		
(i) Creditors For Raw Material & Stores	11,32,45,586.89	14,85,91,258.64
(ii) Creditors For Services	1,65,14,508.30	1,45,99,037.28
Total	12,97,60,095.19	16,31,90,295.92
19. OTHER CURRENT LIABILITIES		
(i) Statutory Liabilities	26,77,552.00	15,68,263.00
(ii) Creditors For Capital Supplies	7,02,463.00	2,30,988.00
(iii) Advance From Customers	12,60,955.00	66,08,949.00
(iv) Income Tax Payable	0.00	23,73,156.00
Total	46,40,970.00	1,07,81,356.00
20. CURRENT PROVISIONS		
(i) Provisions For Employee Benefits		
Gratuity Payable	4,07,629.00	26,35,468.00
Leave Encashment Payable	14,82,714.00	15,34,662.00
(ii) Other Provisions		
Provisions	1,08,62,118.75	79,49,903.85
Proposed Dividend Payable	43,32,362.00	39,38,511.00
Proposed Dividend Distribution Tax Payable	0.00	6,81,520.00
Total	1,70,84,823.75	1,67,40,064.85
21. REVENUE FROM OPERATIONS		
Gross Sales Proceeds		
Sales-Springs	86,17,45,787.00	73,75,03,312.00
Sales-forging	27,85,56,399.00	20,33,68,101.00
Sales-Roofing Sheet	6,03,695.00	12,49,548.76
Sales-Scrap	1,61,07,579.00	1,64,41,371.00
	1,15,70,13,460.00	95,85,62,332.76
Less : Sales Return	(32,23,395.00)	(23,94,432.00)
	1,15,37,90,065.00	95,61,67,900.76
Less : G.S.T.	(15,59,79,793.90)	(12,48,31,495.04)
Net Sales	99,78,10,271.10	83,13,36,405.72
Jobwork Received	11,06,781.00	16,41,592.00
Less : G.S.T.	(1,68,831.00)	(2,50,412.00)
Net Jobwork Received	9,37,950.00	13,91,180.00
Total Revenue From Operations	99,87,48,221.10	83,27,27,585.72

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020

Particulars	Figure as at 31st March, 2020 Rs.	Figure as at 31st March, 2019 Rs.
22. OTHER INCOME		
Rent Received From Work Shed	40,74,540.00	38,38,210.00
Less : G.S.T.	(6,21,540.00)	(5,85,490.00)
Net Rent Received	34,53,000.00	32,52,720.00
Dividend Recd.	20,620.49	0.00
Interest Received on L/C Negotiation (On Sales)	8,02,239.00	3,35,870.00
Interest on S.T.D.R. With S.B.I.	10,39,429.55	6,02,794.45
Interest On Security Deposit Electricity Board	14,696.00	5,072.00
Long Term Capital Gain	25,38,541.03	0.00
Short Term Capital Gain	1,12,627.58	0.00
Profit on Sale of Assets	0.00	25,197.00
GST Refund Recd. Agst. Excise Duty Exemption	10,43,992.00	14,17,164.00
Total	90,25,145.65	56,38,817.45
23. COST OF MATERIAL CONSUMED		
Raw Material Consumed		
Opening Stock	7,23,86,396.81	5,23,06,504.31
Add : Purchases (Including Freight, Intt.on L/C & Entry Tax)	38,51,54,668.85	39,36,98,469.74
Less : Closing Stock	4,02,65,503.72	7,23,86,396.81
Total	41,72,75,561.94	37,36,18,577.24
24. CHANGES IN INVENTORIES OF FINISHED GOODS AND STOCK-IN-PROCESS		
Inventories (At Closing)		
Finished Goods	2,39,01,137.96	96,86,928.76
Finished Goods (Roofing Sheet)	5,62,472.19	5,62,472.19
Scrap	42,76,622.20	12,50,829.58
Stock-in- Process	7,66,16,641.34	8,03,23,393.41
	10,53,56,873.69	9,18,23,623.94
Inventories (At Commencement)		
Finished Goods	96,86,928.76	1,07,49,314.90
Finished Goods (Roofing Sheet)	5,62,472.19	4,56,708.91
Scrap	12,50,829.58	18,93,233.02
Stock-in- Process	8,03,23,393.41	6,61,73,970.60
	9,18,23,623.94	7,92,73,227.43
Total	(1,35,33,249.75)	(1,25,50,396.51)

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020

Particulars	Figure as at 31st March, 2020 Rs.	Figure as at 31st March, 2019 Rs.
25. EMPLOYEES BENEFIT EXPENSES		
Bonus	17,18,795.00	13,93,241.00
E.S.I.	6,62,553.00	7,76,066.00
Gratuity Insurance	41,25,725.00	31,35,468.00
Other Allowance To Staff	44,11,630.00	33,67,379.00
Insurance To Staff & Worker	2,02,695.00	41,416.00
Incentive To Staff	7,27,694.00	8,79,990.00
Leave Encashment	13,88,346.70	10,65,533.00
Medical Expenses	2,49,616.80	2,21,413.00
Provident Fund	30,49,220.00	27,82,377.00
Retainership Fee	1,33,500.00	1,06,500.00
Salary To Administrative & Sales Staff	1,15,98,452.00	99,76,904.00
Staff Fooding & Welfare	11,22,769.39	12,70,411.00
Staff Training Expenses	80,210.00	1,50,000.00
Total	<u>2,94,71,206.89</u>	<u>2,51,66,698.00</u>
26. FINANCE COST		
Bank Interest	49,56,951.17	56,72,167.50
Interest On Unsecured Loan	5,80,036.00	20,78,643.00
Bank Interest On L/C Negotiation (On Purchase)	9,55,053.00	5,64,309.21
Total	<u>64,92,040.17</u>	<u>83,15,119.71</u>
27. DEPRECIATION AND AMORTISATION EXPENSES		
Depreciation	2,39,37,418.51	2,21,58,380.19
Total	<u>2,39,37,418.51</u>	<u>2,21,58,380.19</u>
28. MANUFACTURING EXPENSES		
Electric Power & Fuel	6,95,84,125.88	6,29,87,160.91
Consumable Stores Consumed	3,59,84,989.50	3,56,66,021.64
Generator Repairing & Maintenance	4,37,735.79	1,73,316.98
Jobwork Paid	4,32,95,989.16	2,92,65,425.44
Lab.expenses	18,826.16	65,704.36
Fooding & Labour Welfare	7,28,618.48	9,53,618.74
Loading & Shifting Charges	9,51,433.18	8,14,951.64
Machinery Maintenance	2,63,68,363.56	2,18,54,011.77
Wages & Salary	2,85,61,290.00	2,44,36,509.00
Other Allowances To Works Staff	27,19,099.00	15,75,254.00
Incentive To Worker	4,59,175.00	7,70,251.00
Watch & Ward	33,09,836.30	26,93,299.38
Weight & Measurement	7,020.00	13,790.00
Electrical Maintenance	31,80,668.06	24,20,259.62
Total	<u>21,56,07,170.07</u>	<u>18,36,89,574.48</u>

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020

Particulars	Figure as at 31st March, 2020 Rs.	Figure as at 31st March, 2019 Rs.
29. OTHER EXPENSES		
(a) Administrative Expenses		
Audit Fee (Statutory)	1,00,000.00	1,00,000.00
Audit Fee (Internal)	1,50,000.00	1,50,000.00
Audit Fee (Stock)	0.00	27,100.00
Audit Fee (Gst/Vat)	20,000.00	6,000.00
Bank Charges	56,70,188.08	33,27,824.19
Board Meeting Expenses	1,81,588.38	1,58,569.00
Building Repair & Maintenance	11,29,713.94	17,22,221.22
Business Promotion	15,97,640.21	3,13,405.33
Car Running Expenses	4,99,976.82	7,50,244.58
Certification Fee	96,400.00	1,28,350.00
Computer Expenses	4,28,634.68	4,30,130.96
Conveyance	23,27,526.28	20,03,722.37
Demarage & Other Deduction	1,92,16,772.26	1,77,26,258.59
Demond of Cental Excise & Service Tax	500.00	2,41,391.00
Demat Charges	7,350.00	0.00
Donation	10500.00	73,501.00
Festival And New Year Expenses	11,84,825.88	12,07,067.38
Guest House Expenses	15,50,689.96	12,41,618.31
Hire Charges On Vehicle	11,16,776.91	10,92,767.30
ISO (ISO-9002) Certificate Expenses	98,529.00	77,606.00
Inspection Charges	30,712.85	21,306.00
Insurance	10,67,500.46	8,79,826.82
Interest On Tds	2,590.00	3,564.00
Internet Expenses	2,50,803.55	1,20,580.03
Legal Expenses	2,72,318.00	42,560.00
Licence Fee (Factory Act & Others)	27,941.00	41,469.50
Loss On Sale Of Car / Plant & Machinery	1,65,230.00	5,52,017.00
Membership Fee	1,30,819.34	1,16,975.30
Misc.expenses	83,357.77	74,350.00
News Paper & Periodicals	27,639.00	19,080.00
Office Maintenance	5,45,004.49	1,14,5221.58
Pooja Expenses	40,903.00	45,722.00
Postage & Stamp	4,60,090.96	4,04,999.30
Printing & Stationery	4,51,722.13	4,69,960.46
Professional Charges	4,21,066.10	7,06,547.60
Rates & Taxes	4,21,033.00	4,15,758.78
Registration & Filing Fee	1,89,440.00	21,250.00
SST. Paid	270.51	0.00
Shop Rent	0.00	1,46,100.00

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020

Particulars	Figure as at 31st March, 2020 Rs.	Figure as at 31st March, 2019 Rs.
Shop Maintenance	0.00	41,490.97
Sales Tax Demand Related To Previous Year	2,69,272.00	4,99,707.00
Share Connectivity/ Maint.charges	70,621.67	1,10,993.21
Share/ Stock Listing Fee	3,00,000.00	2,50,000.00
Sundry Balance W/Off	2,427.32	2,307.83
Telephone Expenses	3,87,079.72	4,70,863.33
Travelling Expenses	13,82,228.83	18,85,301.67
Director Travelling Expenses	12,58,844.04	11,31,329.53
Foreign Travelling Expenses	0.00	11,27,057.86
Vehicle Repair & Maintenance	5,30,297.98	5,70,560.01
Total	4,41,76,826.12	4,20,94,677.01
(b) Payment To Directors		
Director's Remuneration	2,94,00,000.00	1,58,00,000.00
Contribution To National Pension Scheme	15,60,000.00	14,00,000.00
Director's Sitting Fee	2,70,000.00	2,85,000.00
Incentive To Director	2,01,99,541.00	1,00,58,379.00
Leave Encashment To Director	26,50,000.00	14,50,000.00
Leave Travelling Concession To Director	0.00	5,00,000.00
Keyman Term Insurance For Director	16,19,064.50	4,00,377.74
Perquisites To Director	1,60,459.00	1,81,621.00
Total	5,58,59,064.50	3,00,75,377.74
(c) Selling & Distribution Exp.		
Advertisement & Publication	13,82,781.08	11,96,149.50
Commission	1,00,46,752.47	1,84,83,843.37
Freight & Cartage Outward	1,77,91,085.55	1,82,33,012.66
Packing Material Consumed	2,36,38,700.77	2,47,79,368.43
Sample	0.00	61,808.00
Tender Fees	4,878.09	26,045.00
Total	5,28,64,197.96	6,27,80,226.96
Total (a+b + c)	15,29,00,088.58	13,49,50,281.71

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020

Particulars	Figure as at 31st March, 2020 Rs.	Figure as at 31st March, 2019 Rs.
28.1 & 29.1 Value Of Power, Furnace Oil,Diesel Oil , Gas, Stores And Packing Material Consumed		
Power And Fuel:-		
Electric Power Used	45400884.00	41155527.00
Furnace Oil Consumed	19430840.89	16825707.48
Diesel For Generator Consumed	4752400.99	5005926.43
Total	69584125.88	62987160.91
 (i) Furnace Oil Consumed		
Opening Stock	1130601.16	716995.00
Add : Purchase (Including Freight & Entry Tax)	18793448.35	17239313.64
Less :Closing Stock	493208.62	1130601.16
Total	19430840.89	16825707.48
 (ii) Diesel For Generator Consumed		
Opening Stock	722174.41	167171.84
Add : Purchase (Including Freight & Entry Tax)	4186288.00	5560929.00
Less : Closing Stock	156061.42	722174.41
Total	4752400.99	5005926.43
 (iii) Consumable Stores Consumed		
Opening Stock	11995955.71	13537348.60
Add : Purchase	39525272.92	34124628.75
Less : Closing Stock	15536239.13	11995955.71
Total	35984989.50	35666021.64
 (iv) Packing Material Consumed		
Opening Stock	306889.74	1166209.16
Add : Purchase	23766066.91	23920049.01
Less : Closing Stock	434255.88	306889.74
Total	23638700.77	24779368.43

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020

29.2 Payment To Statutory Auditors :

Particulars	2019-20	2018-19
Audit fee	Rs. 1,00,000.00	Rs. 1,00,000.00
Service Tax / GST	0.00	Nil
Income Tax fee	Nil	Nil
Management Consultancy fee	Nil	Nil

29.3 Expenditure In Foreign Currency:

	2019-20	2018-19
Foreign Travelling Expenses	Nil	Rs. 11,27,057.86

29.4 AMOUNT OF CAPITAL COMMITMENTS

Advance for Capital items of Rs. 63,59,858.00 for Plant & machinery and Building work-shop shed are shown in Note No. 9 under the head of Current Loans and Advances whose total order value for plant & machinery is Rs. 1,23,82,179.00 and order value for building work is Rs. 30,92,387.00.

30. EARNING PER SHARE (EPS)

	2019-20	2018-19
N/P after tax available for Share holder	Rs. 14,02,73,210.17	Rs. 8,51,43,565.23
Weighted average No. of equity share outstanding during the year	Nos. 39,38,511	Nos. 39,38,511
Basic/Diluted earning per share	Rs. 35.62	Rs. 21.62

31. EARNING IN FOREIGN CURRENCY:

	2019-20	2018-19
Export Sales	—	—

32. REMITTANCE IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND

The Company has not paid any dividend in respect of shares held by Non-Residents on repatriation basis. The exact amount of dividend remitted in foreign currency cannot be ascertained. The total amount remittable in this respect is given herein below:

	2019-20 (Final Dividend)	2018-19 (Final Dividend)
a) Number of Non Resident Shareholders	—	—
b) Number of Equity Shares held by them	—	—
c) (i) Amount of Dividend Paid (Gross) (₹ in)	—	—
(ii) Tax Deducted at Source (₹ in)	—	—

NOTES ON FINANCIAL STATEMENT FOR THE YEAR ENDED 31st MARCH, 2020
33. Related party disclosure :

Related Party	Relationship	Nature of transaction	Value (Amount Rs.)	Amount outstanding Receivable/Payable
Mr. Kundan Lal Bhatia	Key Management Person	Remuneration, LTC, Perquisites, E. Leave & Incentive	25,50,000.00	Cr. 3,15,000.00
Mr. Kapil Bhatia	Key Management Person	Remuneration, Perquisites, E. Leave ,Contribution to NPS & Incentive	1,61,36,226.00	Cr. 15,74,999.52
Mr. Neeraj Bhatia	Key Management Person	Remuneration, Perquisites, E. Leave, Contribution to NPS & Incentive	1,60,79,779.00	Cr. 13,13,994.63
Smt. Mamta Bhatia	Key Management Person	Remuneration, E. Leave , Contribution to NPS & Incentive	1,03,50,000.00	Cr. 8,15,017.79
Smt. Manju Bhatia	Key Management Person	Remuneration, E. Leave, Contribution to NPS & Incentive	1,03,50,000.00	Cr. 13,07,537.52
Smt. Mamta Bhatia	Key Management Person	Re-payment of Deposits	12,32,197.00	–
Smt. Manju Bhatia	Key Management Person	Interest on Deposits	25,320.00	–
Smt. Manju Bhatia	Key Management Person	Re-payment of Deposits	17,34,420.00	–
M/s Frontier Alloy Steels Ltd	Associate Concern	Sales	13,90,48,217.00	Cr.1,84,19,671.08
M/s Frontier Alloy Steels Ltd	Associate Concern	Jobwork Recd.	11,06,781.00	NIL
M/s Frontier Alloy Steels Ltd	Associate Concern	Jobwork Recd.	41,006.00	NIL
M/s Frontier Alloy Steels Ltd	Associate Concern	Purchase	14,69,354.92	NIL
M/s Frontier Engineering	Associate Concern	Purchase	5,31,944.00	NIL
M/s Vishpa Rail Equipments	Associate Concern	Rent Recd.	1,41,600.40	NIL
M/s Vishpa Rail Equipments	Associate Concern	Jobwork Paid	3,51,27,181.00	NIL
M/s Vishpa Rail Equipments	Associate Concern	Purchase	1,18,00,000.00	NIL
M/s Vishpa Rail Equipments	Associate Concern	Interest on Deposits	6,90,332.00	NIL
M/s Vishpa Rail Equipments	Associate Concern	Re-payment of Deposits	1,56,90,332.00	NIL
M/s P.C. Packagers	Associate Concern	Purchase	2,12,99,753.15	NIL
M/s P.C. Packagers	Associate Concern	Rent Recd.	70,800.00	NIL

34. Payment made to/provided for Chairman, Managing Director / Whole Time Directors

Remuneration :	2019-2020	2018-2019
Chairman & Managing Directors	18,00,000.00	18,00,000.00
Other Directors	2,76,00,000.00	1,40,00,000.00
Incentives :		
Chairman & Managing Directors	6,00,000.00	6,00,000.00
Other Directors	1,95,99,541.00	94,58,379.00
Perquisites :		
Chairman & Managing Directors	NIL	NIL
Other Directors	1,60,459.00	1,81,621.00
Leave Travel Concession :		
Chairman & Managing Directors	NIL	NIL
Other Directors	NIL	NIL
Foreign Travelling Allowance :		
Chairman & Managing Directors	NIL	5,00,000.00
Other Directors	NIL	NIL
Earn Leave :		
Chairman & Managing Directors	1,50,000.00	1,50,000.00
Other Directors	25,00,000.00	13,00,000.00
Contribution to National Pension Scheme :		
Chairman & Managing Directors	NIL	NIL
Other Directors	15,60,000.00	14,00,000.00
Keyman Insurance :		
Chairman & Managing Directors	NIL	NIL
Other Directors	16,19,064.50	4,00,377.74

35. Other additional information pursuant to provisions of paragraphs 3 & 4 of Part II of Schedule VI of the Companies Act, 1956.

	2019-20	2018-19
i. Licensed Capacity (As certified by the management)	Not Applicable	Not Applicable
ii. Installed Capacity (As certified by the management)	7400 Mt. per annum on single shift of eight hour (5000 Mt. Coil spring, Leaves Spring & 1200 Mt. Forging items & 1200 Mt. Roofing Sheet)	7400 Mt. per annum on single shift of eight hour (5000 Mt. Coil spring, Leaves Spring & 1200 Mt. Forging items & 1200 Mt. Roofing Sheet)
iii. Production in Nos.	4,67,563	3,89,137
iv. Production in Sq. Meter	2,103	2,968

FORTIETH ANNUAL REPORT

36. Other additional information pursuant to provisions of paragraph 3 & 4 of Part II of Schedule VI of the Companies Act, 1956.

i) Particulars in respect of sales (Refer notes below)

Class of Goods	U/N	31.03.2020		31.03.2019	
		Qty.	Amount	Qty.	Amount
Coil Springs Leaf Springs & Foreign items	Nos.	4,61,919	99,72,06,576.10	3,92,292	95,49,18,352.00
Roofing Sheets	Sq. Mt.	2,103	6,03,695.00	2,711	12,49,548.76
Total			99,78,10,271.10		83,13,36,405.72

Notes :-

The value of sales is stated :-

- (A) Net of GST.
- (B) Inclusive items manufactured and sold only.
- (C) Net of Goods Returned.

ii) Quantitative details of Raw Materials Consumed :

Particulars	U/n	31.03.2020		31.03.2019	
		Qty.	Amount (Rs.)	Qty.	Value (Rs.)
a) Indigenous Springs Steel Round Billet & Bar	Mt.	6,548.737	41,69,78,359.33	5,494.102	37,20,47,670.23
b) Coil Sheet	Mt.	4.773	2,97,202.61	13,532	15,70,907.01
c) Imported		Nil	Nil	Nil	Nil
Total			41,72,75,561.94		37,36,18,577.24

iii) Percentage of imported & indigenous Raw Material, Spares, Components and Stores Consumed.

	2019-20	2018-19
Raw Materials imported	Nil	Nil
Raw Materials Indigenous	100%	100%
Spare Parts & Sets (Indigenous)	100%	100%

iv. Quantitative details of finished goods

Particulars	2019-20 Nos.	2018-19 Nos.
Opening Stock (in Nos.)	4,823	7,978
Opening Stock (in Sq. Meter)	2,117	1,860
Closing Stock (in Nos.)	10,467	4,823
Closing Stock (in Sq. Meter)	2,117	2,117
Turnover (in Nos.)	4,61,919	3,92,292
Turnover (in Sq. Meter)	2,103	2,711

Notes :-

- (i) The quantitative details stated above are based on the certification given by the management.
- (ii) The installed capacity is not being verified by us as a technical matter and it is taken as certified by the management.
- (iii) The quantities have been shown to the nearest units.

As per our Report of even date.
For SANJEEVANI RAIZADA & CO.
Chartered Accountants
Firm Registration No. 021960C
SANJEEVANI RAIZADA
Proprietor
Membership No. 414542
UDIN : 20414542AAAABM7618
Place : Kanpur
Date : 19.07.2020

For and on behalf of Board of Directors

K. L. BHATIA
Chairman & Managing Director

KAPIL BHATIA
Managing Director
DHRUV BHASIN
Company Secretary

NEERAJ BHATIA
CFO
SANJAY NIGAM
Manager Accounts

NOTES

This image shows a single sheet of white paper with horizontal ruling lines. The lines are evenly spaced and run across the width of the page. There are no margins, text, or other markings on the paper.



- SPRINGS FOR LHB COACHES.
- SPRINGS FOR ELECTRIC AND DIESEL LOCOMOTIVES.
- SPRINGS FOR FREIGHT WAGONS.
- SPRINGS FOR SWITCH GEAR.
- SPRINGS FOR ROAD CONSTRUCTION MACHINERY.
- SPRINGS FOR BHEL POWER SECTOR.
- FORGINGS FOR RAILWAYS AND HEAVY INDUSTRY.



Frontier Springs Ltd.

(Largest Manufacturer of Springs for LHB Coaches)

Registered Office & Works Address:

KM 25/4 Kalpi Road Rania Kanpur Dehat (U.P.) - 209304

Additional Works Address:

Rampur Ghat Road, Village Kunja Tehsil Paonta Sahib, Distt Sirmour (H.P.) - 173025

Corporate Office :

E-14, Panki Industrial Area, Site-1, Kanpur (U.P.) - 208022

E-mail: sales@frontiersprings.co.in, info@frontiersprings.co.in

Phone: 91-5111-240212, 240213 • Fax: 91-5111-240214

Website: www.frontiersprings.co.in