



# Frontier Springs Ltd.

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CIN No. : L17119UP1981PLC005212

September 6, 2023

To,  
The BSE Limited  
Corporate Relationship Department  
1<sup>st</sup> Floor, New Trading Wing,  
Rotunda Building, PJ, Towers,  
Dalal Street, Fort, Mumbai-400001  
Fax No.: 022-22723121, 22722037,  
Scrip Code: 522195

**Subject: Submission of Notice of the 43<sup>rd</sup> Annual General Meeting along with Annual Report for the Financial Year ended March 31,2023**

Dear Sir/Madam

Pursuant to Regulation 30 and 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed herewith a copy of the Notice of the 43<sup>rd</sup> Annual General Meeting scheduled to be held on Saturday, September 30, 2023 at 12:00 Noon to transact the business as set out in the notice along with Annual Report of the Company for Financial Year ended March 31,2023.

Kindly take the above on record and oblige.

Thanking You

Yours Faithfully,

**For Frontier Springs Limited**

Dhruv

Bhasin

**Dhruv Bhasin**

**(Company Secretary & Compliance Officer)**

Digitally signed by Dhruv Bhasin  
DN: cn=Dhruv Bhasin,  
2.5.4.42=8B55467576A2A6A0202275A9485A9887697  
2.5.4.43=200208, email=Dhruv.Bhasin@fsl.com,  
serial=1178, c=India  
Reason: I am the signatory  
Signature created for email address  
Dhruv.Bhasin@fsl.com on 09/06/2023 at 10:55:55  
Date: 2023.09.06 22:26:45+05'30'

Encl's: As above



SERVING THE NATION SINCE 1980



**PRECISION  
ENGINEERING**

 Frontier Springs Ltd.  
An ISO 14001:2015 Certified Company

for *safer*  
*rail journeys*



ANNUAL REPORT  
2022-23

FRONTIER SPRINGS LIMITED

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### About the report

Welcome to the Annual Report of Frontier Springs Limited! As a company that operates in the niche business of manufacturing components for the rail transport system, we consider it our responsibility to provide our stakeholders a comprehensive overview of our dynamic operating landscape and corresponding performance.

The Report is part of our commitment towards transparent and holistic stakeholder communications. Our aim is to provide our stakeholders a concise coverage of our business and its performance during the year, while also shedding light on future prospects.

The report contains information, data and disclosures that pertain to the period of April 1, 2022 to March 31, 2023, unless stated otherwise. We will continue to publish our Annual Report year-on-year with information that is concise and comparable over a period of time, thus enabling our stakeholders to effectively analyse our sustained performance over.

As Those Charged With Governance (TCWG), our Board of Directors has evaluated the contents presented in the report and assured its integrity to the best of their knowledge.

## FINANCIAL HIGHLIGHT

(In ₹ lakhs)

# 10,735.56

REVENUE FROM OPERATIONS

# 1,330.87

EBITDA

# 724.05

PROFIT AFTER TAX

### Forward-looking statement

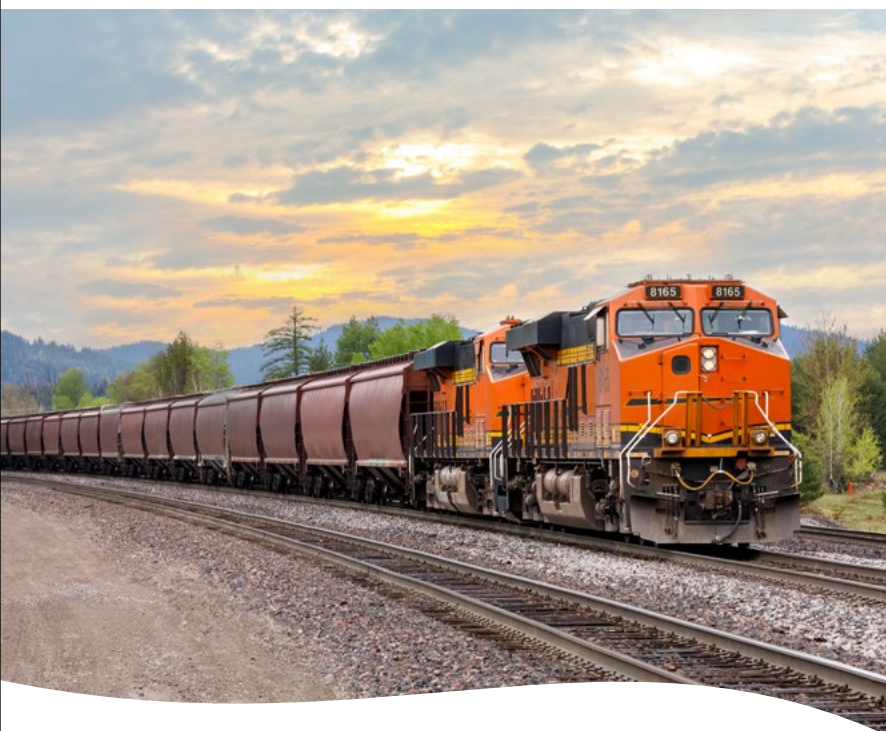
This document contains statements about the expected future events, financial and operating results of Frontier Springs Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is a significant risk that the assumptions, predictions and other forward-looking statements will not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the management's discussion and analysis of the report.



# PRECISION ENGINEERING

## for *safer* *Rail Journeys*

Rail journeys are the timeless threads that bridge distances and connect us to our loved ones. Beyond their role as conduits for us, they form the very infrastructure of commerce, transporting goods across cities and states.



In alignment with the adage, 'The journey is more important than the destination,' our mission is to enhance journey safety through the precision manufacturing of coil springs for the Indian Railways and other clients. With meticulous attention to detail, an innate understanding of the intricate mechanics that power rail journeys and over 4 decades of expertise, we create components that seamlessly integrate into rail systems, bolstering performance and passenger security. Our commitment to precision resonates in each product, ensuring every rail expedition upholds the pinnacle of quality, reinforcing customer trust and elevating the overall rail travel experience.

On the back of our steadfast commitment and perseverance, Frontier Springs stands today as a testament to our unwavering dedication to quality, reliability and safety.

# About Frontier Springs

ESTABLISHED IN 1981, FRONTIER SPRINGS LIMITED (FRONTIER SPRINGS) EMBARKED ON ITS JOURNEY AS A DISTINGUISHED MANUFACTURER, INITIALLY CRAFTING LEAF SPRINGS AND LAMINATED BEARING SPRINGS TAILORED FOR AUTOMOBILES AND RAILWAYS. AS THE RAILWAYS LANDSCAPE UNDERWENT A TRANSFORMATION, WE EVOLVED IN TANDEM TO ACCOMMODATE THE HIGH DEMAND FOR HOT COILED COMPRESSION SPRINGS AND FORGING FOR WAGONS, RAILWAYS, CARRIAGES AND LOCOMOTIVES.

We have two state-of-the-art manufacturing facilities located in Kanpur, Uttar Pradesh and Poanta Sahib, Himachal Pradesh. Across our journey of over 4 decades, our portfolio has diversified significantly to include forging items from 100 gm to 20 kg. A dedicated Spring division caters adeptly to the discerning requirements of both domestic and international heavy engineering sectors. Leveraging our success and expertise, we recently forayed into the production of Air Springs, a testament to our expanding product horizons.

Our aim is to manufacture superior-quality, cost-efficient springs. We use innovative manufacturing processes and modern technology to ensure our products are delivered swiftly with excellent quality. Our unwavering dedication to safety, quality and reliability has nurtured enduring partnerships with our esteemed clients.



**40+**  
**years**

OF EXPERIENCE AND EXPERTISE

**186**

SKILLED EMPLOYEES

**22+**

CUSTOMERS

**2**

MANUFACTURING FACILITIES

**A fully  
equipped  
laboratory**

**ISO  
14001:2015**

CERTIFIED

**IRIS  
Certification®**

RECEIVED FOR OUR MANAGEMENT SYSTEM

# About Frontier Springs

## Humble beginnings to high ambitions

What Frontier Springs is today, began as a family business that manufactured engineering components and ran a truck repair workshop.

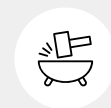
- In 1968, we began making Leaf Springs for trucks and gradually started building partnerships with customers through our distribution network in Uttar Pradesh, Madhya Pradesh and Bihar.
- In 1981, Frontier Springs Limited was incorporated. We started providing services to state transport corporation businesses such as MSRTC and GSRTC.
- We enjoyed a monopoly in our business for several years. However, both Maharashtra and Gujarat decided to buy the springs from domestic producers since they were state transport corporations. As competition increased, we knew we had to diversify.
- We started providing laminated bearings to the railways. As railways evolved, so did we. We started manufacturing Coil Springs for railways.
- In 1991, we set up two plants in Kanpur for Coil Springs and Leaf Springs.
- Coil Springs started gaining a lot of demand, with the product being used in passenger coaches as well. To meet the increasing demand, we set up another manufacturing unit in Himachal Pradesh.
- By 2011, we forayed into manufacturing forgings for railways

## Humble beginnings to high ambitions



### Springs division

We are a leading manufacturer of hot coiled springs for Indian Railways, heavy engineering industries and OEMs in India and abroad.



### Forging division

We set up a forging plant in Kanpur and started supplying train parts.



### Air Spring division

We manufacture Air Spring suspension system for LHB coaches.

*Read more about our businesses and products on page 06*





### Proud milestones

With hard work and a strong commitment to being the best, we have thrived in this specialised field and reached many important goals:

- For the last 30 years, we are is registered with RDSO (Research Designs & Standards Organization) for the supply of springs and other components to Indian Railways. We have developed a large number of products as per the latest specification of the RDSO.
- Our springs were used on the fastest train in India - Vande Bharat Express.
- We are certified by the International Rail Industry Standard (IRIS), which enables us to directly export our products to other countries.

### Esteemed clientele

- Chittranjan Locomotive Works
- Banaras Locomotive Works
- Frontier Alloy Steels Ltd
- Patiala Locomotive Works





# Business divisions and products

## Business divisions



### Springs division

In 1991, we shifted from Leaf Springs to Hot Coiled Springs for the Indian Railways, which has been our mainstay business for the past 30 years.

At Frontier Springs, we make different kinds of Coil Springs to use space better, reduce tiredness and weight. These springs come in various sizes from 10 mm to 65 mm wire thickness, with a maximum height of 1,000 mm.

We create Coil Springs with different load rates – some that can change and some that stay the same. They are made from strong chrome molly and chrome silicon steel rods that are carefully checked for cracks and coated with epoxy powder. This helps us make the most of space, reduce wear and tear, and make the products lighter.



### Forging division

In 2011, we forayed into the forging business by setting up a manufacturing plant in Kanpur. We began manufacturing train parts such as Anti Roll Bar Assembly, Screw Couplings, Draft Gear Assembly and BSS Hangers.

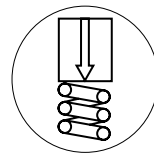
We have big hammers of 1 tonne, 3 tonnes and 6 tonnes to shape metal from as light as 100 grams to as heavy as 80 kg. We also use special ovens to make the metal strong, and machines to shape and cut parts, all in our own workshop.



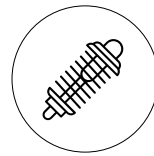
**Air Spring division**

To enhance our business and service for the Indian Railways, we now create Air Spring suspension systems for LHB coaches. We have signed an MoU with Contitech Germany to supply Air Springs to Indian Railways. We have supplied 70 sets of Air Springs of 160 KN to MCF Rae Bareli and RCF Kapurthala. Through this MoU, we expect our turnover to increase significantly.

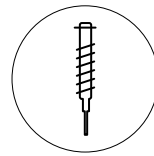
**Products**



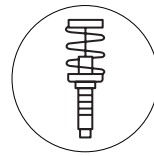
*Air Springs for LHB coaches*



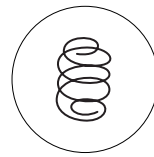
*Suspension Coil Springs for freight stock*



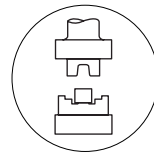
*Suspension Coil Springs for coaching stock*



*Suspension Coil Springs for diesel and electrical locomotives*

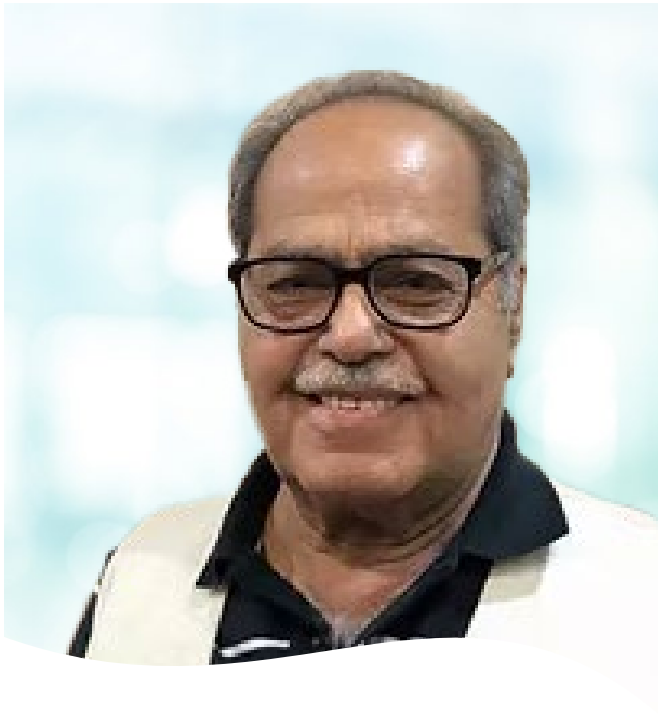


*TMCLH and VLH Coil Springs for the power sector*



*Forging components such as Brake Block Hanger, Knuckle Thrower, Top Follower and Wedge*

# Letter to Shareholders



## DEAR SHAREHOLDERS,

It is with great pleasure that I present to you our Annual Report. This significant report reflects our commitment to transparency and governance, and our aim to foster a stronger connection with our esteemed shareholders.

As we navigate the complex and dynamic business landscape, it is imperative that we foster a culture of transparent and honest communication. Through this report, we aim to provide you with insights into not only our successes but also the challenges we have encountered and the strategies we are implementing to overcome them.

What began as a humble business in a small workshop has today evolved into one of the leading suppliers of springs to the Indian Railways and other sectors. Our story is one of overcoming challenges, learning and evolving with the changing landscape and I would like to take you through it.



*Our role in the wagon industry, where demand is exceeding the cumulative capacity of manufacturers, is pivotal. With our products finding their place within these wagons, the opportunities are abundant.*



### The rapidly evolving operating environment

Amid a post-Covid global resurgence, the Russia-Ukraine conflict disrupted trade and raised energy prices. Inflation surged worldwide, prompting central banks to raise rates, dampening global growth for 2023.

Conversely, India thrived with 7.2% GDP growth. Global commodity price spikes led to rising inflation (7.79% peak), surpassing RBI's target. RBI responded firmly, raising the repo rate six times from 4% to 6.5%. With a growing working-age population, a large domestic market, a boost to infrastructure development and the advent of digitisation, India is well-positioned to be the fastest-growing large economy in the world.

### The burgeoning Indian Railways

The Indian railways, which is our primary customer and a significant contributor to the Indian economy, registered record revenue figures of ₹ 2.40 lakh crore for FY2023, reflecting a jump of nearly 25% over the previous year. The Railways also invested heavily in new infrastructure such as tracks, locomotives and coaches during the year. It also launched a number of new initiatives such as the Vande Bharat Express and the Gatimaan Express.

The Ministry of Railways invested ₹1 lakh crore in augmenting the capacity of the network. Thus, FY2023 witnessed the highest-ever commissioning of new lines and doubling/multi-tracking of 5,243 km. Additionally, the higher investments in DFC and Mumbai-Ahmedabad bullet trains have ensured rapid progress in wagon procurement. In the Union Budget 2022-23, the railways was allocated ₹1.4 trillion. The funds will be spent on building railway tracks, wagons, trains, electrification, signalling and developing facilities at stations while focusing on safety.



With favourable government initiatives, the sector is expected to continue playing a key role in the development of the Indian economy.

### Resilient performance

During the year, our profitability encountered challenges due to fixed pricing contracts and unexpected price increases in key raw materials like iron and steel. Because these materials are integral to safety components, their procurement is subject to stringent controls, including both raw material and final product inspections. This regulatory framework prevents us from stockpiling raw materials in advance, exposing us to the risk of price escalations after contract agreements are finalised. Unfortunately, this risk became a reality in FY2023.

Our operational revenue reached ₹10,735.56 lakh, marking a 28.33% growth from FY2022. EBITDA reached ₹1,330.87 lakh, a 0.75% increase compared to FY2022's ₹1,320.95. EBITDA margin was 12.40%, down from 15.79% the prior year. Our PAT was ₹724.05 lakh, down from ₹751.44 in FY2022.

### Continuing to engineer for rail journeys

Despite the muted performance, our resolve remains strong. From manufacturing Leaf Springs and Laminated Bearing Springs to providing Air Springs to the railways today, we have grown with the evolving landscape and we are confident of continuing to make the most of opportunities that come our way.

Furthermore, I am delighted to announce that we are diversifying our horizons by supplying products to OEMs for Metros. Our interactions with Siemens and Alstom have been promising, and active discussions are underway to establish partnerships that align with our values.

Siemens and Alstom's ventures into Metro Coaches, securing contracts from Railways, and source approvals hold immense promise for us. We are resolutely pursuing these avenues as they open doors for us to become integral parts of their supply chains.

Our role in the wagon industry, where demand is exceeding the cumulative capacity of manufacturers, is pivotal. With our products finding their place within these wagons, the opportunities are abundant. The insights gleaned from leading wagon manufacturers, provide valuable guidance. Our current market share distribution stands at approximately 20% for wagons, 40% for passenger coaches and 50% for locomotives. The opportunity ahead is substantial. While India produced 600 locomotives annually until recently, the coming year will witness a surge to 1,200 locomotives, followed by an even greater increase to 1,800 locomotives. While these projections are not yet public, they align with government targets, shaping our strategic direction. This magnitude of opportunity extends beyond locomotives alone; similar demand trends are evident in the passenger coaches segment, where volumes are notably higher.

This growth story is propelled by the government's commitment to dedicated freight corridors spanning North to South and East to West. Such infrastructural development will bolster train numbers and hasten transportation speeds. As we navigate these trends, our position remains opportune, promising a future defined by industry leadership and expansion.

In the forging and coil spring sectors, our focus remains steadfast. The growth potential in forging applications for the earth-moving and mining industries is substantial. With a recent investment in a 6-ton hammer, we are aligning ourselves for future success.

Air Springs hold a prominent place in our growth strategy. They promise higher profitability and significant revenue potential. At full capacity, this venture has the potential to generate substantial revenue. Our aim is to achieve optimal capacity utilization by the second quarter of the next financial year. The paradigm shift toward Air Springs is evident as they are increasingly adopted in coaches. We anticipate substantial demand for Air Springs, especially in passenger coaches, where new installations and maintenance needs are both considerable.

We are also positioning ourselves to fulfill the Indian Government's 'Make in India' initiative, aiming for at least 70% indigenisation in our products to secure government contracts. This aligns well with our ethos of promoting homegrown excellence. Our technological edge, combined with our focus on a lean balance sheet and working capital efficiency, will be our driving force.

### Progressing with gratitude

As I conclude, I would like to express my heartfelt gratitude to each member of our team for your unwavering commitment and dedication. It is your tireless efforts that propel us forward, and your collective skills that drive our success. To our stakeholders, your trust and support inspire us to reach new heights.

It is important to remember that our journey is not just about milestones, but about creating sustainable value. With every innovation, every partnership, and every step forward, we are shaping the future of our Company and the industry at large.

I am confident that with our collective dedication and strategic focus, we are poised to create a transformative impact with our products in the industries where we operate.

BEST WISHES,





**Kundan Lal Bhatia**

CHAIRMAN CUM MANAGING DIRECTOR

# The shift in the Indian Railways

IN 2001, THE RSDO CONDUCTED A TRIAL ON 3-POINT (LEAF SPRINGS AND LAMINATED BEARING SPRINGS) AND 4-POINT AIR SUSPENSION (AIR SPRINGS AND HOT COIL SPRINGS) COACHES TO UNDERSTAND WHICH ONE IS BETTER. THE STUDY REVEALED THAT FOR THE NEEDS OF INDIAN RAILWAYS, THE 3-POINT SUSPENSION SYSTEM WAS NOT SUITABLE. HENCE, INDIAN RAILWAYS HAS GRADUALLY REPLACED LEAF SPRINGS AND LAMINATED BEARING SPRINGS ON ALL ITS TRAINS.

## The difference between the springs

FACTORS	LEAF SPRINGS	LAMINATED BEARING SPRINGS	HOT COIL SPRINGS	AIR SPRINGS
 <b>Construction</b>	Made of a series of long, thin metal strips that are stacked and held together by pins	Made of multiple layers of steel plates that are bonded together	Made of steel and are heated and shaped into coils	Made of rubber and are filled with compressed air
 <b>Common use</b>	More common in older vehicles	More common in newer vehicles	More common in newer vehicles	More common in newer vehicles
 <b>Cost</b>	Less expensive to manufacture	More expensive to manufacture	More expensive to manufacture	Cost-efficient manufacturing
 <b>Vibration</b>	Less efficient and can cause more vibration	More efficient and provide a smoother ride	Absorb the shock and provide a smoother ride	Absorb the shock and provide a smoother ride

In an effort to make train travel more comfortable, safer and reliable, Indian Railways is gradually replacing leaf springs and laminated bearing springs with air springs and hot coil springs.

## Advantages of air springs and hot coil springs

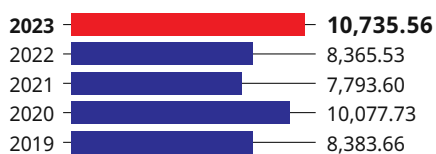
- **Smoother ride comfort**  
Air springs and hot coil springs can absorb more shock and provide a smoother ride. This is especially important for passengers traveling at high speeds or over rough terrain.
- **Better handling**  
They are more responsive than leaf springs and laminated bearing springs, which means they can better absorb the weight of the train and provide better handling. This is important for safety, as it can help to prevent derailments.
- **More resilient**  
Air springs and hot coil springs are more resilient;

- they can withstand more stress and abuse. This is important for durability, as it can help to extend the lifespan of the springs.
  - **Less maintenance**  
As they are less prone to wear and tear, they require less maintenance than leaf springs and laminated bearing springs.
- The Indian Railways is committed to continuing to improve the quality of train travel in India using air springs and hot coil springs. And we, at Frontier Springs, are playing a major part in this effort.

# Our Performance

## Revenue from operations

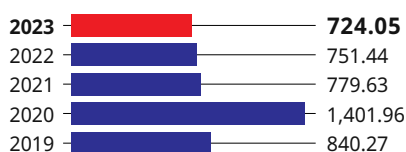
(In ₹ lakhs)



↑ **28.33%** Y-O-Y GROWTH

## Profit after tax

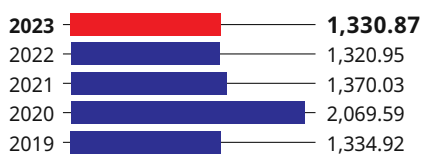
(In ₹ lakhs)



↓ **(3.65)%** Y-O-Y GROWTH

## EBITDA

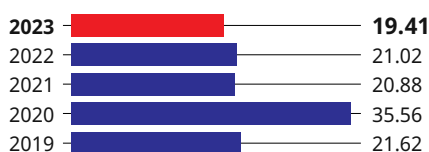
(In ₹ lakhs)



↑ **0.75%** Y-O-Y GROWTH

## Earnings per share

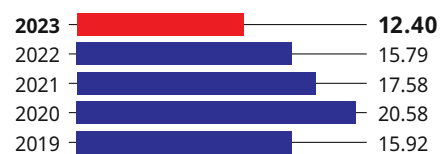
(In ₹)



↓ **(7.66)%** Y-O-Y GROWTH

## EBITDA margin

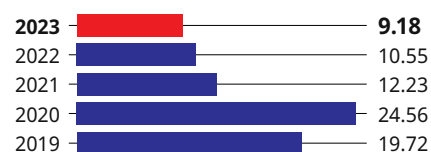
(In %)



↓ **(339) bps** Y-O-Y GROWTH

## RoCE

(In %)



↑ **137 bps** Y-O-Y GROWTH





# Social Initiatives

AT FRONTIER SPRINGS, OUR MISSION HAS ALWAYS EXTENDED BEYOND THE MERE PURSUIT OF PROFIT. WE UNDERSTAND THAT OUR SUCCESS IS INTRICATELY LINKED WITH THE WELL-BEING OF THE COMMUNITIES WE SERVE. FOR US, EMPOWERING SOCIETY IS NOT JUST A NOBLE ENDEAVOUR BUT A STRATEGIC IMPERATIVE THAT ULTIMATELY BENEFITS US ALL.

₹27,42,269

CSR SPEND IN FY23



**As responsible corporate citizens, we undertake a variety of initiatives to build a more inclusive future:**

Sponsored 100 free cataract surgeries through Tara Sansthan, Udaipur



**₹3,50,000**

CONTRIBUTION TOWARDS THE INITIATIVE

Installed a 25 kW grid tie inverter solar plant at Omkareshwar Saraswati Vidyaniketan Intercollege, New Azad Nagar, Kanpur



**₹11,50,000**

COST OF THE INVERTER SOLAR PLANT

Adopted 15 schools under the umbrella of Bharat Lok Shiksha Parishad to impart education in rural areas



**₹3,30,000**

CONTRIBUTION TOWARDS THE INITIATIVE

Repaired and Renovated Primary School in Village Syonda; Block Sarvankhera, Kanpur Dehat.



**₹13,86,000**

CONTRIBUTION TOWARDS THE INITIATIVE



# Management Discussion and Analysis



## 1. Indian Economy

The effects of the Russia-Ukraine war, heightened energy prices and elevated inflation trickled down to India as well. However, the economy remained on a steady growth path, demonstrating strong resilience against these headwinds. According to the National Statistical Office (NSO), the Indian economy grew by 7.2% in FY2023. Factors such as strong private consumption, steady manufacturing and normalisation of contact-intensive services sectors contributed to this growth.

Inflation remained at 4-6% for most of FY2023, but began to ease during Q3 and Q4 of FY2023 owing to the central banks hiking policy rates by 250 bps. In April 2023, the Reserve Bank of India (RBI) paused its rate hike cycle and is expected to maintain it if inflation remains under control.

Growth during the year was largely led by private consumption and capital formation. The central government increased capital expenditure to reach ₹7.28 lakh crore in FY2023 to boost employment and infrastructure growth. It also seeks to ensure equity and equality of such investments across the country. This is in line with the Government's focus and commitment to the Four I's – Infrastructure, Investment, Innovation and Inclusion – in the next 25 years.

The Indian government has stressed on making India 'Atmanirbhar' and has laid down various incentives and policies. The Union Budget 2023-24 proposed a 33% increase in infrastructure spending to ₹10 trillion, with the highest ever capital outlay of ₹2.4 trillion for railways. It has also identified 100 critical transport infrastructure projects for last-mile logistics and allocated ₹75,000 crore towards it.

*Source: Ministry of Finance, Business Standard*

### 1.1. Outlook

The Indian economy is expected to remain resilient and grow at 6.1% in FY2024. Broad-based credit growth, improving capacity utilisation, the government's thrust on capital spending and infrastructure are expected to bolster investment activity. Moreover, a positive outlook prevails for the residential real estate and automotive sectors, and renewable energy industry. The anticipation is that both consumer and business confidence will endure in the upcoming period, as India maintains its trajectory of high growth, reaffirming its position of influence in the global economic landscape.

The favourable aspects include moderating inflation and the decision by the RBI to halt interest rate increases. Nonetheless, there persists a risk stemming from the global economic deceleration. The monsoon season assumes importance as a critical factor to observe, particularly in terms of its impact on rural demand, given the projected El Nino conditions for the current year.

*Source: World Economic Outlook, International Monetary Fund (IMF)*



## 2. Indian Railways

As a Company that manufactures and supplies hot coil springs and air springs, Indian Railways is our primary customer.

During FY2023, Indian Railways registered a record revenue of ₹2.4 lakh crore, reflecting a 25% growth over FY2022. This growth was driven by milestones achieved across categories including freight loading, electrification, new line/ doubling / gauge conversion, loco production and technology integration for ensuring safety:

### **Freight loading and revenue**

The Railways loaded 1,512 MT of freight in FY2023, marking an increase of 6.63% over the previous year. Favourable government policies and the Railways' ease of doing business and improved service delivery at competitive prices attracted new traffic.

### **Electrification**

In its bid to accomplish Mission100% Electrification and become the largest green railway network in the world, the Indian Railways achieved electrification of 6,542 RKMs during the year, registering an increase of 2.76%.

### **New line**

The Railways laid new lines measuring 5,243 km during the year – its highest-ever commissioning.

### **Automatic signalling**

Automatic signalling is a cost-effective measure to increase line capacity to run more trains on existing high-density routes of Indian Railways. During FY2023, the Railways upgraded 530 km with automatic signalling, registering an increase of 143.12% over FY2022.

### **Gati Shakti Freight Terminals**

To increase its modal share in the freight segment, Indian Railways is prioritising the development of Gati Shakti Freight Terminals. During FY2023, 30 freight terminals were created compared to 21 in FY2022.

### **Vande Bharat Trains**

Indian Railways has issued a production plan of 102 Vande Bharat Rakes (35 in FY2023 and 67 in FY2024). A total of x75 Vande Bharat Rakes are planned as Chair Car version and the remaining as Sleeper version. The Railways has also planned to manufacture 400 Vande Bharat trains (Sleeper version) of three different technologies for which tenders have been floated to select technology partners for manufacturing within Indian Railways Production Units with the Railways manpower.

**Source: Ministry of Railways**



## 2.1. Government initiatives

The Indian Government has rolled out several initiatives to boost Indian Railways:

### **National Rail Plan (NRP)**

The NRP aims to create a future-ready railway system by 2030. Its goal is to formulate strategies based on both operational capacities and commercial policy initiatives to increase the modal share of the Railways in freight to 45% and create capacity ahead of demand. Under the Plan, 58 super-critical projects of a total length of 3,750 km costing ₹39,663 crore and 68 critical projects of a total length of 6,913 km costing ₹75,736 crore have been identified for completion by 2024.

### **Foreign direct investment**

The government has cleared the proposal for allowing 100% FDI in the railway sector, other than operations through the automatic route. The government wants to invest US\$120 billion in the coming five years for the development of railway services. As India has an edge in terms of skilled workforce and a huge manufacturing and consumer base, it would be a profitable sector for foreign investors

### **Indian Railway Innovation Policy**

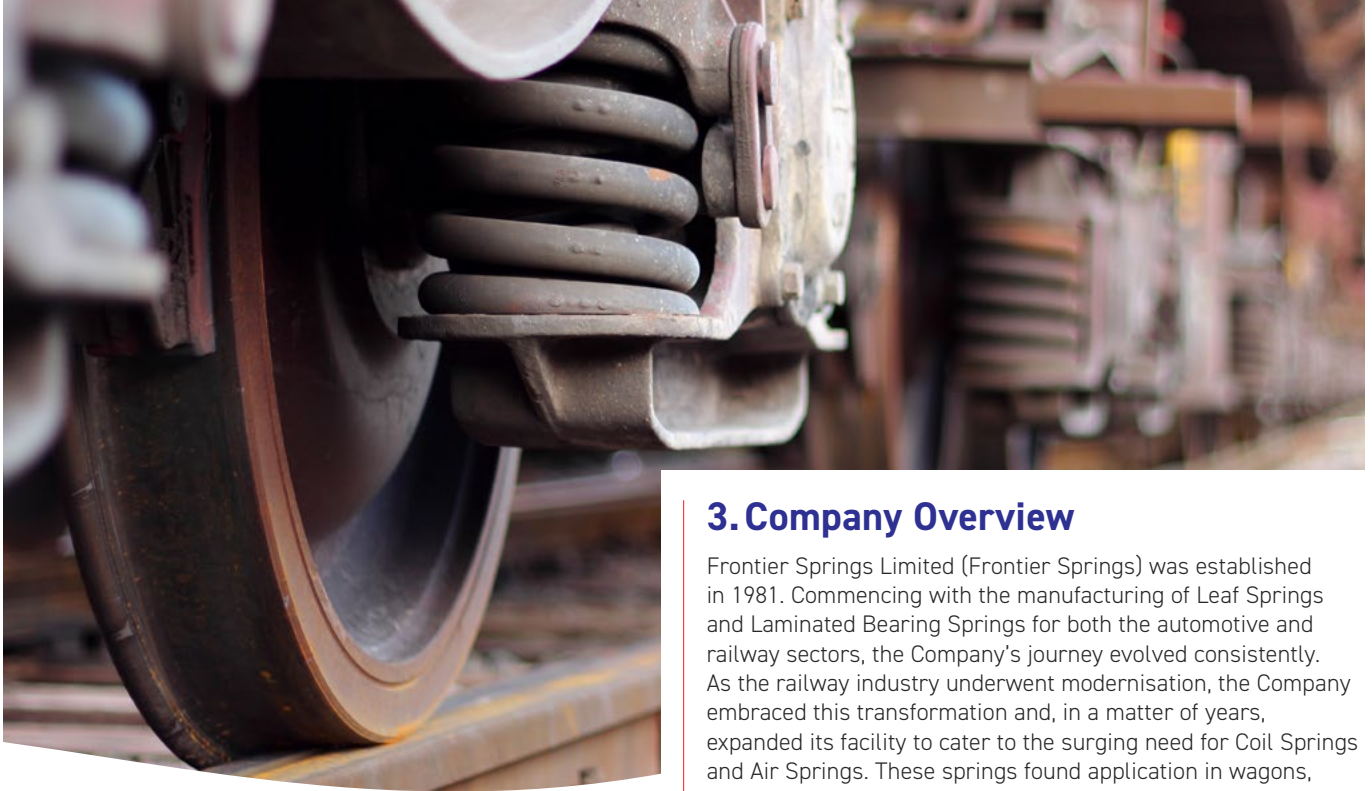
The Indian Railway Innovation Policy "Start-ups for Railways" was introduced in June 2022. The intention is to work with entrepreneurs, technology developers, and innovators through start-ups to obtain affordable, user-friendly, reliable products and solutions for use on the Indian Railways network.

### **Union Budget 2023-24**

The Indian Railways has been allocated a capital outlay of ₹2.4 lakh crore in the Union Budget 2023-24. This allocation will be used to lay new lines with an aim to decongest the Indian Railways and make it future-ready.

### **Mission Raftaar**

In August 2022, the government launched Mission Raftaar for speed enhancement and to achieve a target of doubling the average speed of freight trains and increasing the average speed of superfast /mail/express trains by 25 kmph.



## 2.2. Outlook

Over the upcoming five years, the Indian railway market is anticipated to ascend to the position of the third-largest market globally, contributing a substantial 10% share to the overall global market. The government has announced two key initiatives that are expected to ramp up the development of Indian Railways:

- 'Adarsh' Station Scheme**  
 Under the scheme, 1,253 stations have been identified for development, out of which 1215 stations have been developed so far. The remaining 38 stations are planned to be developed by FY2023.
- National Rail Plan (NRP)**  
 Under this Plan, Indian Railway plans to accelerate implementation of critical projects, such as multitrack congested routes, achieve 100% electrification, upgrade the speed to 160 kmph on Delhi-Howrah and Delhi-Mumbai routes, upgrade the speed to 130 kmph on all other golden quadrilateral-golden diagonal (GQ/GD) routes and eliminate all level crossings on the GQ/GD route by 2024.

Indian Railways is also looking at leveraging technology and embedding artificial intelligence, quantum computing and data analytics in its operations to transform railways into a more efficient, safer and passenger-friendly mode of transportation. This is expected to further expedite the development of railways in India and contribute significantly to the Indian economy.

## 3. Company Overview

Frontier Springs Limited (Frontier Springs) was established in 1981. Commencing with the manufacturing of Leaf Springs and Laminated Bearing Springs for both the automotive and railway sectors, the Company's journey evolved consistently. As the railway industry underwent modernisation, the Company embraced this transformation and, in a matter of years, expanded its facility to cater to the surging need for Coil Springs and Air Springs. These springs found application in wagons, coaches and locomotives for the Indian Railways, alongside numerous other valued clients.

The Company's forefront standing in the market results from its unwavering dedication to key aspects such as product excellence, innovative product launches, the acquisition of cutting-edge machinery for enhanced and expedited product finishing via in-house advancement, competitive pricing and an exceedingly efficient cost structure. Its commitment to perpetual product enhancement and its adaptable approach to varying situations have further bolstered its market leadership. Looking ahead, the Company remains resolute in its objective of efficiently and promptly catering to the needs of its end users.

### 3.1. Performance

Our performance aligned with our stated projection of a 25% growth in our conventional product categories, which include Coil Springs and Forgings.

Our revenue from operations stood at ₹10,735.56 lakh, having grown by 28.33% over FY2022. We recorded an EBITDA of ₹1,330.87 lakh, up by 0.75% compared to ₹1,320.95 lakh in FY2023. EBITDA margin was 12.40% compared to 15.79% in the previous year. Our PAT stood at ₹724.05 lakh compared to ₹751.44 lakh in FY2022.

### 3.3. Outlook

The government's railway modernisation drive is expected to create a range of opportunities. Our FY2024 order book ensures 25% growth in traditional products and the new Air Springs line will boost revenue and margins. We will focus on Forging for higher growth and have installed a 6-tonne hammer to achieve this goal. In the coming 2-3 years, the Company will continue to pursue strong growth, margin expansion and facility upgrades.

## 4. Risks and Their Mitigation

Every business is susceptible to risks. The Company has identified the risks to its business and is undertaking the necessary measures to continue sustainable operations.



- Raw material costs**  
 Most of our raw materials are iron and steel, both commodity materials prone to notable price shifts. The railway industry's safety reliance on springs enforces strict sourcing control by Indian Railways. This confines us to authorized procurement sources.
- Competitive landscape**  
 Indian Railways employs diverse suppliers to mitigate procurement risks. Given the tender-based nature of the business, the inherent risk lies in rivals presenting lower prices, posing a threat to our market share.
- Inconsistent order flow**  
 A significant segment of our operations hinges on the Indian Railways. Disruptions in their orders could significantly affect our financial performance. To mitigate this reliance, we have diversified into forgings, expanding beyond the railway sector.
- Delay in order execution**  
 Delays in order fulfillment jeopardise our credibility, potentially undermining our prospects in upcoming tender opportunities.
- High dependency on a single client**  
 Relying heavily on the Indian Railways as a key client exposes our revenue stream and operational sustainability to vulnerability.

## 5. Human Resources

The Company places immense value on its employees as a critical asset within the current business landscape. To ensure that this asset significantly contributes to the Company's performance, the following strategies are being pursued:

- Offering ongoing training and comprehensive exposure to all employees.
- Actively encouraging regular input and feedback from employees, fostering a meaningful exchange of ideas.
- Empowering employees effectively to nurture a sense of ownership among them.

In essence, the Company provides every employee with the chance to unleash their full potential and flourish within the organisation.

As of March 31, 2023, the Company has 186 skilled employees.

## 6. Internal control system and adequacy

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

## 7. Cautionary Statement

Frontier Springs Limited may, from time to time, make additional written and oral forward-looking statements, including statements contained in the Company's filings and the reports to shareholders. The Company does not undertake to update any forward-looking statements that may be made from time to time by or on behalf of the Company. All information contained in this report has been prepared solely by Frontier Springs Limited. The Company does not accept any liability whatsoever for any loss, howsoever, arising from any use or reliance on this Annual Report or its contents or otherwise arising in connection therewith.



# Company Information

## BOARD OF DIRECTORS

### EXECUTIVE DIRECTORS

<b>Mr. Kundan Lal Bhatia</b>	Chairman Cum Managing Director
<b>Mr. Kapil Bhatia</b>	Managing Director
<b>Mr. Neeraj Bhatia</b>	CFO & Whole Time Director
<b>Mrs. Mamta Bhatia</b>	Whole Time Director
<b>Mrs. Manju Bhatia</b>	Whole Time Director

### INDEPENDENT DIRECTORS

<b>Mr. Yashpal</b>	Independent Director
<b>Mr. K. P. Somkuwar</b>	Independent Director
<b>Mr. Nimesh Mukerji</b>	Independent Director
<b>Mr. Sarabjit Singh</b>	Independent Director
<b>Mr. R. K. Bhatia</b>	Independent Director

### REGISTERED OFFICE

Km 25/4, Kalpi Road,  
Rania, Kanpur-Dehat 209 304 (UP))

### CORPORATE OFFICE

E-14, Panki Industrial Area,  
Site-1, Kanpur-208 022 (U.P.)

### REGISTRAR & SHARE TRANSFER AGENT

M/s. Alankit Assignments Limited  
205-208, Anarkali Complex, Jhandewalan Extension  
New Delhi-110 055

### BANKERS

State Bank of India

### STATUTORY AUDITORS

M/s. Sanjeevani Raizada & Co.  
Chartered Accountants  
Off No. 229, 2<sup>nd</sup> Floor, 63/2, City Centre,  
The Mall, Kanpur -208 004

### LISTED AT

Bombay Stock Exchange

### COMPANY SECRETARY

Mr. Dhruv Bhasin

## Notice

**Notice** is hereby given that the **Forty-Third Annual General Meeting (AGM)** of the Members of **FRONTIER SPRINGS LIMITED** will be held on Saturday, **30<sup>th</sup> September, 2023 at 12:00 P.M.** at the Registered Office of the Company at Km 25/4, Kalpi Road, Rania, Kanpur Dehat-209304 to transact the following business:

- 1) To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2023 together with the Reports of the Board of Directors and Auditors thereon.
- 2) To declare Dividend on Equity Shares for the financial year ended 31<sup>st</sup> March, 2023.
- 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 Smt. Mamta Bhatia (DIN: 03480368) as a Whole-Time Director of the Company for a period of 5 (Five) years with effect from 14<sup>th</sup> May, 2024 and in this regard, to consider and, if thought, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**"RESOLVED THAT** pursuant to provisions of Section 196, 197 read with Schedule V and other applicable provisions, if any, 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 Regulation 17(6)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended, and subject to such approvals as may be necessary, consent of the Members be and is hereby accorded to the re-appointment of Smt. Mamta Bhatia (DIN: 03480368), as Whole-Time Director of the Company for a period of 5 (Five) years with effect from 14<sup>th</sup> May, 2024, subject to retirement by rotation, on the following terms and conditions including remuneration which have been approved by the Board of Directors of the Company on the recommendations of the Nomination & Remuneration Committee for a period of 3 (three) years:

**SALARY:** ₹ 5,50,000/- (Rupees Five Lacs Fifty Thousand 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 ₹ 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 ₹ 2,00,000/- (Rupees Two Lacs 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 Whole-Time Director on any official trip.

(v) **Entertainment and Vacations expenses:** Reimbursement of entertainment, stay and travelling expenses associated with vacations spent in any foreign country for self and family in a block of two years shall be reimbursed, subject to ceiling of ₹ 5,00,000/- (Rupees Five Lacs only).

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

(vii) **Personal Accident Insurance:** Premium not to exceed ₹ 4000/- 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 encashed.

### 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 her 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** the annual remuneration payable to Smt. Mamta Bhatia, Whole-Time and a Promoter Director of the Company, may exceed the limits prescribed under Regulation 17(6)(e) of the SEBI Listing Regulations subject however to that the total remuneration payable to her, in a financial year during the currency of her term, shall not exceed the limits laid down under Section 197 read with Schedule V and other applicable provisions of the Companies Act, 2013 and Rules framed thereunder.”

**“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 Smt. Mamta Bhatia from time to time, during the tenure of her appointment as Whole-Time Director of the Company including salary, perquisites and additional remuneration/incentive, provided however that the total remuneration payable to her 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 Smt. Manju Bhatia (DIN: 03480362) as a Whole-Time Director of the Company and in this regard, to consider and, if thought, to pass, with or without modification(s), the following resolution as a **Special Resolution**:

**“RESOLVED THAT** pursuant to provisions of Section 196, 197 read with Schedule V and other applicable provisions, if any, 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 Regulation 17(6)(e) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), as amended and subject to such approvals as may be necessary, consent of the Members be and is hereby accorded to the re-appointment of Smt. Manju Bhatia (DIN: 03480362), as Whole-Time Director of the Company for a period of 5 (Five) years with effect from 14<sup>th</sup> November, 2023, subject to retirement by rotation, on the following terms and conditions including remuneration which have been approved by the Board of Directors of the Company on the recommendations of the Nomination & Remuneration Committee for a period of 3 (three) years:

**SALARY:** ₹ 5,50,000/- (Rupees Five Lacs Fifty Thousand 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 ₹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 ₹ 2,00,000/- (Rupees Two Lacs 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 Whole-Time Director on any official trip.
- (v) **Entertainment and Vacations expenses:** Reimbursement of entertainment, stay and travelling expenses associated with vacations spent in any foreign country for self and family in a block of two years shall be reimbursed, subject to ceiling of ₹ 5,00,000/- (Rupees Five Lacs only).
- (vi) **Club fee:** Reimbursement of fees of clubs subject to maximum of four clubs. No admission and life membership fees will be paid.
- (vii) **Personal Accident Insurance:** Premium not to exceed ₹ 4000/- 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 encashed.

**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 her 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** the annual remuneration payable to Smt. Manju Bhatia, Whole-Time and a Promoter Director of the Company, may exceed the limits prescribed under Regulation 17(6)(e) of the SEBI Listing Regulations subject however to that the total remuneration payable to her, in a financial year during the currency of her term, shall not exceed the limits laid down under Section 197 read with Schedule V and other applicable provisions of the Companies Act, 2013 and Rules framed thereunder."

**"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 Smt. Manju Bhatia from time to time, during the tenure of her appointment as Whole-Time Director of the Company including salary, perquisites and additional remuneration/incentive, provided however that the total remuneration payable to her 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 ratify the remuneration of the Cost Auditors in respect of Company's product 'Steel', for the financial year ending 31<sup>st</sup> March, 2024 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 31<sup>st</sup> March, 2024 amounting to ₹ 50,000/- (Rupees Fifty Thousand only) per year, plus taxes as applicable and re-imbursment 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

**Date:** 9<sup>th</sup> August, 2023

BY ORDER OF THE BOARD  
FOR **FRONTIER SPRINGS LIMITED**

**(DHRUV BHASIN)**  
Company Secretary

## Notes

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE "MEETING") IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the meeting.
2. A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. Corporate Members intending to send their Authorised Representatives to attend the Meeting are requested to send to the Company a scanned copy (PDF/JPG Format)/hard copy of certified true copy of the Board Resolution under Section 113 of the Companies Act, 2013 together with the specimen signature(s) of the representative(s) authorised under the said Board resolution to attend and vote on their behalf at the Meeting. The said resolution be sent to the Company at [www.frontiersprings.co.in](http://www.frontiersprings.co.in) with a copy marked to [lalitap@alankit.com](mailto:lalitap@alankit.com)
4. A Statement pursuant to Section 102(1) of the Companies Act, 2013, in respect of special business being Item Nos. 4 to 6 as set out above to be transacted at the meeting, is annexed hereto.
5. Attendance Slip, Proxy Form and the route map of the venue of the meeting are annexed hereto.
6. Members/Proxies are requested to bring their attendance slip/proxy form along with their copy of Annual Report to the Meeting.
7. The details of Directors seeking re-appointment, in terms of Regulation 36(3) of the SEBI Listing Regulations and the Act (including Secretarial Standard -2 on General Meetings), are given in the Corporate Governance Report and annexed hereto and forms part of this notice.
8. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Corporate Office of the Company on all working days during the business hours upto the date of the Meeting.
10. The Register of Members and Share Transfer Books of the Company shall remain closed from **Sunday, 24<sup>th</sup> September, 2023 to Saturday, 30<sup>th</sup> September, 2023 (both days inclusive).**
11. In terms of the provisions of Section 101 and 136 of the Companies Act, 2013 read with Rules made thereunder and the Regulation 36(1)(a) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Members can now receive various notices and documents through electronic mode by registering their e-mail addresses with the Company. The Company is accordingly forwarding soft copies of the above referred documents to all those members who have registered their e-mail ids with their respective depository participants or with the share transfer agent of the Company. Members who have not registered their e-mail address with the Company can now register the same by submitting duly filled-in 'Registration Form' attached at the end of this report/available on the website of the Company, with Registrar and Transfer Agents at their email [lalitap@alankit.com](mailto:lalitap@alankit.com) or to Secretarial Department of the Company at [c.s@frontiersprings.co.in](mailto:c.s@frontiersprings.co.in) The members holding shares in electronic form are requested to register their e-mail addresses with their Depository Participants only.  
  
Further, in terms of Regulation 36(1) (c) of SEBI Listing Regulations, even after registering for e-communication, the Members of the Company are entitled to receive such communication in physical form, upon request.
12. Soft copy of the Annual Report for the financial year 2022-23 is being sent to all the members, whose email IDs are registered with the Company/Depository Participant(s)/Registrar and Transfer Agents for communication purposes.
13. The Notice of Annual General Meeting along with Annual Report for financial year 2022-2023, is available on the website of the Company at [www.frontiersprings.co.in](http://www.frontiersprings.co.in) and on the website of Stock Exchanges i.e., BSE Limited at [www.bseindia.com](http://www.bseindia.com). The physical copies of the aforesaid documents will also be available at the Company's Registered office for inspection during business hours.
14. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company or its Registrar and Transfer Agents, Alankit Assignments Limited, 1E/13, Alankit Assignments, Jhandewalan Extension, New Delhi-110055 (hereinafter referred to as "RTA").
15. 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, subject to deduction of Income-Tax at source (TDS) wherever applicable to those members:
  - (a) whose name appears as "Beneficial Owners" as at the end of the business hours on 23<sup>rd</sup> September, 2023 in the list of Beneficial Owners to be furnished by National Depository Securities Limited and Central Depository

(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 transmission or transposition request with the Company/its Registrar and Share Transfer Agent at the end of business hours on 23<sup>rd</sup> September, 2023 in respect of shares held in physical form.
16. The SEBI Listing Regulations have mandated that for making dividend payments, companies shall use electronic clearing services (local, regional or national), direct credit, Real Time Gross Settlement (RTGS), National Electronic Funds Transfer (NEFT) etc. The Company and the RTA are required to seek relevant bank details of the shareholders from depositories/ shareholders for making payment of dividend in electronic mode. It is also mandatory to print the bank details on the physical instrument if the payment is made in physical mode.

In the event, the Company is unable to pay the dividend to any member directly into their bank accounts through Electronic Clearing Service or any other means, due to non-registration of the Electronic Bank Mandate, the Company shall dispatch the dividend warrant/Banker's cheque/demand draft to such Member, at the earliest possible.

17. **Shareholders are requested to register/update their complete bank details:** (a) with their Depository Participant(s) with whom they maintain their demat accounts if shares are held in dematerialised mode by submitting the requisite documents, and (b) with the Company by emailing at [c.s@frontiersprings.co.in](mailto:c.s@frontiersprings.co.in) if shares are held in physical mode, by submitting (i) scanned copy of the signed request letter which shall contain shareholder's name, folio number, bank details (Bank account number, Bank and Branch Name and address, IFSC, MICR details), (ii) self-attested copy of the PAN card and (iii) cancelled cheque leaf. In case shares are held in dematerialised mode, details in a form prescribed by your Depository Participant may also be required to be furnished.
18. Pursuant to the requirement of Income Tax Act, 1961, the Company will be required to withhold taxes at the prescribed rates on the dividend paid to its shareholders. However, **no tax will be deducted on payment of dividend to the resident individual shareholders if the total dividend paid does not exceed ₹ 5,000/-** The withholding tax rate would vary depending on the residential status of the shareholder and documents registered with the Company.

## A RESIDENT SHAREHOLDERS:

### A.1 Tax Deductible at Source for Resident Shareholders

Sr. No	Particulars	Withholding tax rate	Documents required (if any)
1.	Valid PAN updated in the Company's Register of Members.	10%	No document required (if no exemption is sought).
2.	No PAN/Valid PAN not updated in the Company's Register of Members.	20%	No document required (if no exemption is sought).
3.	Availability of lower/nil tax deduction certificate issued by Income Tax Department u/s 197 of Income Tax Act, 1961.	Rate specified in the certificate	Lower tax deduction certificate obtained from Income Tax Authority.

### A.2 No Tax Deductible at Source on dividend payment to resident shareholders if the Shareholders submit and register following documents as mentioned in the below table with the Company/RTA.

Sr. No	Particulars	Withholding tax rate	Documents required (if any)
1.	Submission of form 15G/15H.	NIL	Declaration in Form No. 15G (applicable to any person other than a Company or a firm)/Form 15H (applicable to an Individual who is 60 years and above), fulfilling certain conditions.
2.	Shareholders to whom Section 194 of the Income Tax, 1961 does not apply such as LIC, GIC, etc.	NIL	Documentary evidence that the said provisions are not applicable.
3.	Shareholder covered u/s 196 of Income Tax Act, 1961 such as Government, RBI, corporations established by Central Act & mutual funds.	NIL	Documentary evidence for coverage u/s 196 of Income Tax Act, 1961.
4.	Category I and II Alternative Investment Fund.	NIL	SEBI registration certificate to claim benefit under Section 197A (1F) of Income Tax Act, 1961.



Sr. No	Particulars	Withholding tax rate	Documents required (if any)
5.	Recognised provident funds/Approved superannuation fund/Approved gratuity fund.	NIL	Necessary documentary evidence as per Circular No. 18/2017 issued by Central Board of Direct Taxes (CBDT).
6.	National Pension Scheme.	NIL	No TDS as per Section 197A (1E) of Income Tax Act, 1961.

## B NON-RESIDENT SHAREHOLDERS:

Withholding tax on dividend payment to non-resident shareholders if the non-resident shareholders submit and register following document as mentioned in the below table with the Company/RTA

Sr. No	Particulars	Withholding tax rate	Documents required (if any)
1.	Foreign Institutional Investors (FIIs)/ Foreign Portfolio Investors (FPIs).	20% (plus applicable surcharge and cess)	FPI registration number/certificate.
2.	Other Non-resident shareholders.	20% (plus applicable surcharge and cess) or tax treaty rate whichever is beneficial	To avail beneficial rate of tax treaty following tax documents would be required: <ol style="list-style-type: none"> <li>Tax Residency certificate issued by revenue authority of country of residence of shareholder for the year in which dividend is received.</li> <li>PAN.</li> <li>Form 10F filled &amp; duly signed.</li> <li>Self-declaration for non-existence of permanent establishment/fixed base in India.</li> </ol> <p>(Note: Application of beneficial Tax Treaty Rate shall depend upon the completeness of the documents submitted by the Non- Resident shareholder and review to the satisfaction of the Company).</p>
3.	Indian Branch of a Foreign Bank.	NIL	Lower tax deduction certificate u/s 195(3) obtained from Income Tax Authority.  Self-declaration confirming that the income is received on its own account and not on behalf of the Foreign Bank.
4.	Availability of Lower/NIL tax deduction certificate issued by Income Tax Department u/s 197 of Income Tax Act, 1961.	Rate specified in certificate	Lower tax deduction certificate obtained from Income Tax Authority.

19. Shareholders are requested to please provide the abovementioned documents upto 15<sup>th</sup> September, 2023 in this regard. No communication would be accepted from members after 15<sup>th</sup> September, 2023 regarding the tax withholding matters.
20. SEBI vide its Circular dated 3<sup>rd</sup> November, 2021, has reiterated that it is mandatory for all holders of physical securities to furnish their PAN as well as KYC to the RTA (Registrar and Share Transfer Agent) of the Company in respect of all concerned Folios and the Folios wherein even any one of the PAN, Address with PIN Code, Email address, Mobile Number, Bank Account details, Specimen Signature and Nomination by holders of physical securities are not available on or after 1<sup>st</sup> April, 2023, shall be frozen by the RTA. SEBI has introduced Form ISR - 1 along with other relevant forms to lodge any request for registering PAN, KYC details or any change/updation thereof.

In terms of the aforesaid SEBI Circular, effective from 1<sup>st</sup> January 2022, any service requests or complaints received from the member, are not processed by RTA till the aforesaid details/documents are provided to RTA.

21. Further, to support "Green Initiative", members who have not registered their e-mail addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.

22. SEBI vide Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8<sup>th</sup> June, 2018 has come out with SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2018 (effective date of implementation is 5<sup>th</sup> December, 2018), wherein it has mandated that the requests for effecting transfer of securities shall not be processed unless the securities are held in the dematerialised form with a depository except in the cases of transmission or transposition of securities. In view of above amended Regulations, Members are requested to get their shares dematerialised at the earliest to avoid any inconvenience. Therefore, RTA and the Company have not been accepting any request for the transfer in physical form w.e.f 1<sup>st</sup> April, 2019.

Further, SEBI vide its notification dated 25<sup>th</sup> January, 2022, amended the SEBI Listing Regulations and mandated that listed Companies to issue the securities in dematerialized form only while processing the request viz (i) transmission; (ii) transposition; (iii) Issue of duplicate securities certificate; (iv) Claim from Unclaimed Suspense Account; (v) Renewal/ Exchange of Securities Certificate; (vi) Endorsement; (vii) Sub-division/Splitting of securities certificates/folios of securities. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR - 4. Relevant details and forms prescribed by SEBI in this regard including the mode of despatch are available on the website of the Company <https://frontiersprings.co.in/wp/formats-for-shareholders-correspondence/> for information and use by the Shareholders. You are requested to kindly take note of the same and update your particulars timely.

23. Pursuant to the provisions of Sections 124 and 125 of the Companies Act, 2013, dividend which remains unpaid/unclaimed in the Unpaid Dividend Account for a period of seven years from the date of transfer to the Investor Education and Protection Fund established by the Central Government. Members may note that unclaimed dividend for the Financial Year ended 31<sup>st</sup> March, 2019 and 31<sup>st</sup> March, 2020 will be due for transfer to the Investor Education and Protection Fund on **30<sup>th</sup> October 2026 and 30<sup>th</sup> October 2027**. Members who have not encashed their dividend warrant(s) for the Financial Year ended 31<sup>st</sup> March, 2019 or 31<sup>st</sup> March, 2020 are requested to lodge their claim with the Company. Further, as per the provisions of Section 124 of the Companies Act, 2013, shares in respect of which dividend has not been paid or claimed for seven consecutive years or more shall also be transferred to the Investor Education and Protection Fund (IEPF) Authority. The Members, whose unclaimed dividends/shares have been transferred to IEPF, may claim the same by making an application to the IEPF Authority in Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in).

24. In case the Dividend has remained unclaimed in respect of financial year 2018-19, 2019-20 and 2021-22, the Shareholders may approach the Company with their dividend warrants for revalidation with the Letter of Undertaking for issue of

duplicate dividend warrants. The Company regularly sends letters/emails to this effect to the concerned Shareholders.

25. 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. Further, SEBI vide its Circular dated 3<sup>rd</sup> November, 2021 has mandated to furnish Form ISR-3 for opting out of Nomination by physical shareholders in case the shareholder do not wish to register for the Nomination.

26. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the Share Certificates to RTA for consolidation into a single folio.

27. 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.

28. **The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means.**

#### **INFORMATION AND OTHER INSTRUCTIONS RELATING TO REMOTE E-VOTING ARE AS UNDER:**

- (i) Pursuant to the provisions of Section 108 and other applicable provisions, if any, of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the Circulars issued by the Ministry of Corporate Affairs, the Company is pleased to provide to its Members facility to exercise their right to vote on resolutions proposed to be passed in the Meeting by electronic means. The Members may cast their votes using an electronic voting system from a place other than the venue of the Meeting ('remote e-Voting').
- (ii) The poll shall be conducted at the meeting and members attending the Meeting who have not cast their vote by remote e-Voting shall be eligible to vote at the Meeting.
- (iii) The Members who have cast their vote by remote e-Voting may also attend the Meeting but shall not be entitled to cast their vote again.
- (iv) The Company has engaged the Services of Central Depository Services (India) Limited ("CDSL") as the Agency to provide e-Voting facility.
- (v) The Board of Directors of the Company 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.

- (vi) Voting rights shall be reckoned on the Paid-up value of Shares registered in the name of the Member/Beneficial owner (in case of electronic shareholding) as on the cut-off date i.e. 23<sup>rd</sup> September, 2023.
- (vii) A person, whose name is recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the cut-off date, i.e., 23<sup>rd</sup> September, 2023 only shall be entitled to avail the facility of remote e-Voting.
- (viii) Any person who becomes a Member of the Company after dispatch of the Notice of the Meeting and holding Shares as on the cut-off date i.e., 23<sup>rd</sup> September, 2023, may obtain the User ID and Password.
- (ix) The remote e-Voting facility will be available during the following period:

Commencement of remote e-Voting	<b>From 9:00 A.M. on Wednesday, 27<sup>th</sup> September, 2023,</b>
End of remote e-Voting	<b>Upto 5.00 P.M. on Friday, 29<sup>th</sup> September, 2023</b>

During this period, Shareholders of the Company holding Shares either in physical form or in dematerialized form, as on the cut-off date i.e. 23<sup>rd</sup> September, 2023, may cast their vote electronically. The remote e-Voting module shall be disabled by CDSL after voting period ends.

- (x) The Scrutinizer, after scrutinizing the votes cast at the meeting and through remote e-Voting, will, not later than three days of conclusion of the Meeting, make a scrutinizer's report and submit the same to the Chairman. The results declared along with the scrutinizer's report shall be placed on the website of the Company [www.frontiersprings.co.in](http://www.frontiersprings.co.in) and of CDSL [www.cdslindia.com](http://www.cdslindia.com) The results shall simultaneously be communicated to the Stock Exchange.
- (xi) Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the Meeting, i.e. 30<sup>th</sup> September, 2023.
- (xii) **Instructions and other information relating to remote e-Voting:**
- Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.
- Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

- (i) The voting period begins on **Wednesday, 27<sup>th</sup> September, 2023, 9:00 A.M.** and ends on **Friday, 29<sup>th</sup> September, 2023, 5:00 P.M.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e 23<sup>rd</sup> September, 2023 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) Pursuant to **SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December, 2020** under Regulation 44 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to provide remote e-Voting facility to its shareholders, in respect of all shareholders' resolutions. However, it has been observed that the participation by the public non-institutional shareholders/retail shareholders is at a negligible level.

Currently, there are multiple e-Voting service providers (ESPs) providing e-Voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders.

In order to increase the efficiency of the voting process, pursuant to a public consultation, it has been decided to enable e-Voting to **all the demat account holders, by way of a single login credential, through their demat accounts/websites of Depositories/ Depository Participants.** Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-Voting process.

**Step 1:** Access through Depositories CDSL/NSDL e-Voting system in case of individual shareholders holding shares in demat mode.

- (iv) In terms of **SEBI circular no. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9<sup>th</sup> December, 2020** on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode are allowed to vote through their demat account maintained with Depositories and Depository Participants. Shareholders are advised to update their mobile number and email Id in their demat accounts in order to access e-Voting facility.



Pursuant to abovesaid SEBI Circular, Login method for e-Voting for Individual shareholders holding securities in Demat mode CDSL/NSDL is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with <b>CDSL Depository</b>	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi/Easiest facility, can login through their existing user id and password. Option will be made available to reach e-Voting page without any further authentication. The users to login to Easi/Easiest are requested to visit cdsl website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login icon &amp; New System Myeasi Tab.</li> <li>2) After successful login the Easi/Easiest user will be able to see the e-Voting option for eligible companies where the evoting is in progress as per the information provided by Company. On clicking the evoting option, the user will be able to see e-Voting page of the e-Voting service provider for casting your vote during the remote e-Voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there is also links provided to access the system of all e-Voting Service Providers, so that the user can visit the e-Voting service providers' website directly.</li> <li>3) If the user is not registered for Easi/Easiest, option to register is available at cdsl website <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on login &amp; New System Myeasi Tab and then click on registration option.</li> <li>4) Alternatively, the user can directly access e-Voting page by providing Demat Account Number and PAN No. from a e-Voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be able to see the e-Voting option where the evoting is in progress and also able to directly access the system of all e-Voting Service Providers.</li> </ol>
Individual Shareholders holding securities in demat mode with <b>NSDL Depository</b>	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' Section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on Company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select "Register Online for IDeAS "Portal or click at <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' Section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.</li> </ol>
Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants (DP)</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. After Successful login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on Company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period.

**Important note:** Members who are unable to retrieve User ID/Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

**Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL**

Login type	Helpdesk details
Individual Shareholders holding securities in Demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at <a href="mailto:helpdesk.evoting@cdslindia.com">helpdesk.evoting@cdslindia.com</a> or contact at toll free no. 1800 22 55 33
Individual Shareholders holding securities in Demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at <a href="mailto:evoting@nsdl.co.in">evoting@nsdl.co.in</a> or call at: 022 - 4886 7000 and 022 - 2499 7000

**Step 2:** Access through CDSL e-Voting system in case of shareholders holding shares in physical mode and non-individual shareholders in demat mode.

(v) Login method for Remote e-Voting for **Physical shareholders and shareholders other than individual holding in Demat form:**

- 1) The shareholders should log on to the e-Voting website [www.evotingindia.com](http://www.evotingindia.com).
- 2) Click on "Shareholders" module.
- 3) 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.

- 4) Next enter the Image Verification as displayed and Click on Login.
- 5) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-Voting of any Company, then your existing password is to be used.

6) If you are a first-time user follow the steps given below:

Login type	For Physical shareholders and other than individual shareholders holding shares in Demat.
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• 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.</li> </ul>
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"> <li>• 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.</li> </ul>

(vi) After entering these details appropriately, click on "SUBMIT" tab.

you assent to the Resolution and option NO implies that you dissent to the Resolution.

(vii) 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) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xii) 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.

(xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(viii) For shareholders holding shares in physical form, the details can be used only for e-Voting on the resolutions contained in this Notice.

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

(ix) Click on the EVSN for the relevant Company i.e Frontier Springs Limited on which you choose to vote.

(xv) 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.

(x) 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

(xvi) There is also an optional provision to upload BR/POA if any uploaded, which will be made available to scrutinizer for verification.

**(xvii) Additional Facility for Non:** Individual Shareholders and Custodians – For Remote Voting only.

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://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](mailto: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 will be mapped automatically & can be delink in case of any wrong mapping.
- It is Mandatory that, 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 mandatory 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](mailto: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.

**PROCESS FOR THOSE SHAREHOLDERS WHOSE EMAIL/MOBILE NO. ARE NOT REGISTERED WITH THE COMPANY/DEPOSITORIES.**

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/RTA email id**.

2. **For Demat shareholders:** Please update your email id & mobile no. with your respective Depository Participant (DP).

3. **For Individual Demat shareholders:** Please update your email id & mobile no. with your respective Depository Participant (DP) which is mandatory while e-Voting & joining virtual meetings through Depository.

If you have any queries or issues regarding e-Voting from the CDSL e-Voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at toll free no. 1800 22 55 33.

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25<sup>th</sup> Floor, MarathonFuturex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call at toll free no. 1800 22 55 33.

- (a) Since the Company is required to provide Members the facility to cast their vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 23<sup>rd</sup> September, 2023 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.

- (xiii) The voting rights of Shareholders shall be in proportion to their shares of the Paid-up Equity Share Capital of the Company as on 23<sup>rd</sup> September, 2023.

- (xiv) The results shall be declared on or after the AGM of the Company. The results declared along with the Scrutinizers' Report shall be placed on the website of the Company and CDSL and communicated to the BSE Ltd. within the prescribed period.

29. As required under Listing Regulations and Secretarial Standard on General Meetings (SS-2), the relevant details in respect of Director seeking re-appointment under item No 3, 4 and 5 of this Notice are as below:



**ANNEXURE TO NOTICE****BRIEF PROFILE OF DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT/CONTINUANCE OF APPOINTMENT**

<b>Particulars</b>	<b>Shri Neeraj Bhatia</b>	<b>Smt. Mamta Bhatia</b>	<b>Smt. Manju Bhatia</b>
DIN	00582395	03480368	03480362
Date of Birth/Age	20/06/1967, 56 years	27/09/1966, 57 years	19/05/1970, 54 years
Date of first Appointment on the Board	22/04/1991	14/05/2014	14/11/2013
Qualifications	B.Com	B.A., M.B.A.	B.A.
Experience and expertise in specific functional area	Production & Marketing	Marketing and Finance	Over All Administration
Terms and conditions of re-appointment	As per Company's Nomination & Remuneration Policy	As per Company's Nomination & Remuneration Policy	As per Company's Nomination & Remuneration Policy
Remuneration Last Drawn	As Mentioned in the Corporate Governance Report	As Mentioned in the Corporate Governance Report	As Mentioned in the Corporate Governance Report
Directorships in other Companies	NIL	NIL	NIL
Chairman/Member of Committee of the Board of other Companies of which he/she is a Director	NIL	NIL	NIL
Shareholding in Frontier Springs Ltd.	5,57,430 Equity shares	38,038 Equity shares	20,380 Equity shares
Relationship with other Directors/KMPs	<ul style="list-style-type: none"> <li>• Shri Kundan Lal Bhatia – Parental Uncle</li> <li>• Shri Kapil Bhatia – and Shri Neeraj Bhatia – Brother</li> <li>• Smt. Manju Bhatia – Wife</li> <li>• Smt. Mamta Bhatia – Sister-in-Law</li> </ul>	<ul style="list-style-type: none"> <li>• Shri Kundan Lal Bhatia – Parental Uncle</li> <li>• Shri Kapil Bhatia – Husband</li> <li>• Shri Neeraj Bhatia – Brother-In-Law</li> <li>• Smt. Manju Bhatia – Sister-in-Law</li> </ul>	<ul style="list-style-type: none"> <li>• Shri Kundan Lal Bhatia – Parental Uncle</li> <li>• Shri Kapil Bhatia – Brother-In-Law</li> <li>• Shri Neeraj Bhatia – Husband</li> <li>• Smt. Mamta Bhatia – Sister-in-Law</li> </ul>
No. of Board Meetings attended by the Director during the Financial year 2022-2023	4	4	4

**STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.****Item No. 4**

The Members at the 39<sup>th</sup> Annual General Meeting of the Company held on 30<sup>th</sup> September, 2019 approved the re-appointment of Smt. Mamta Bhatia as Whole-Time Director of the Company for a period of 5 (Five) years with effect from 14<sup>th</sup> May, 2019. Accordingly, the existing tenure of Smt. Mamta Bhatia as Whole-Time Director would expire on 13<sup>th</sup> May, 2024. Considering the experience and significant contribution made by Smt. Mamta Bhatia and the Board of Directors of the Company at its meeting held on 9<sup>th</sup> August, 2023 on the recommendation of the Nomination & Remuneration Committee, approved the re-appointment of Smt. Mamta Bhatia as Whole-Time Director for a further period of 5 (Five) years with effect from 14<sup>th</sup> May, 2024, liable to retire by rotation, subject to the approval of the members. The terms and conditions of her re-appointment including remuneration are in accordance 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.

Smt. Mamta Bhatia has furnished the consents/declarations for her re-appointment as required under the Companies Act, 2013 read with rules made thereunder. She satisfies all the conditions set out in Part-I of Schedule V to the Act and is not disqualified from being appointed as Whole-Time Director in terms of provisions of Section 196(3) read with Section 164 of the Act. She is also not debarred from holding the office of a Director by virtue of any order of SEBI or any other authority. Additional disclosures with respect to information pursuant to Section II of Part II of Schedule V are given in a separate statement annexed hereto.

Smt. Mamta Bhatia is a Promoter Director of the Company and her annual remuneration individually or together with remuneration of all Promoter Executive Directors, may exceed threshold prescribed under Regulation 17(6)(e) of the SEBI Listing Regulations. Thus, in order to comply with the requirements of above regulation, the approval of the members is also being sought in this regard by way of Special Resolution set out at item No. 4 of the Notice.

The Board recommends the Special Resolutions set out at item No. 4 of the Notice for approval by the Members.

Except Smt. Mamta Bhatia, herself, Shri Kapil Bhatia, Managing Director, Shri Neeraj Bhatia and Smt. Manju Bhatia, Whole-Time Directors and their relatives being related to her, none of the other Directors/Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the Special Resolutions set out in Item No. 4 of the Notice.

The resolution along with accompanying Statement may be treated as a written memorandum setting out the terms of re-appointment of Smt. Mamta Bhatia within the meaning of Section 190 of the Companies Act, 2013.

**Item No. 5**

The Members at the 38<sup>th</sup> Annual General Meeting of the Company held on 26<sup>th</sup> September, 2018 approved the re-appointment of Smt. Manju Bhatia as Whole-Time Director of the Company for a period of 5 (Five) years with effect from 14<sup>th</sup> November, 2018. Accordingly, the existing tenure of Smt. Manju Bhatia as Whole-Time Director would expire on 13<sup>th</sup> November, 2023. Considering the experience and significant contribution made by Smt. Manju Bhatia and the Board of Directors of the Company at its meeting held on 9<sup>th</sup> August, 2023 on the recommendation of the Nomination & Remuneration Committee, approved the re-appointment of Smt. Manju Bhatia as Whole-Time Director for a further period of 5 (Five) years with effect from 14<sup>th</sup> November, 2023, liable to retire by rotation, subject to the approval of the members. The terms and conditions of her re-appointment including remuneration are in accordance 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.

Smt. Manju Bhatia has furnished the consents/declarations for her re-appointment as required under the Companies Act, 2013 read with rules made thereunder. She satisfies all the conditions set out in Part-I of Schedule V to the Act and is not disqualified from being appointed as Whole-Time Director in terms of provisions of Section 196(3) read with Section 164 of the Act. She is also not debarred from holding the office of a Director by virtue of any order of SEBI or any other authority. Additional disclosures with respect to information pursuant to Section II of Part II of Schedule V are given in a separate statement annexed hereto.

Smt. Manju Bhatia is a Promoter Director of the Company and her annual remuneration individually or together with remuneration of all Promoter Executive Directors, may exceed threshold prescribed under Regulation 17(6)(e) of the SEBI Listing Regulations. Thus, in order to comply with the requirements of above regulation, the approval of the members is also being sought in this regard by way of Special Resolution set out at item No. 5 of the Notice.

The Board recommends the Special Resolutions set out at item No. 5 of the Notice for approval by the Members.

Except Smt. Manju Bhatia, herself, Shri Kapil Bhatia, Managing Director, Shri Neeraj Bhatia, and Smt. Mamta Bhatia, Whole-Time Directors and their relatives being related to her, none of the other Directors/Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the Special Resolutions set out in Item No. 5 of the Notice.

The resolution along with accompanying Statement may be treated as a written memorandum setting out the terms of re-appointment of Smt. Manju Bhatia within the meaning of Section 190 of the Companies Act, 2013.

**STATEMENT PURSUANT TO SECTION II OF PART II OF SCHEDULE V TO THE COMPANIES ACT, 2013****I. General Information**

(i) Nature of Industry	Manufacture of Railway Springs & Other Springs
(ii) Date or expected date of Commencement of commercial production	The Company is in operation for more than 40 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 <sup>st</sup> March, 2023	(Amount ₹ in Lacs)
	Turnover
	10,799.13
	Net Profit/Net (Loss)
	764.30
	Net worth (excluding Revaluation reserve)
	7468.34
	Book Value per Equity Share (excluding revaluation reserve)
	189.62
(v) Export Performance and Net Foreign Exchange Earnings	
(vi) Foreign Investment or Collaborations, if any	

**II. Information About The Appointees**

Name	Background details/ recognition awards	Past Remuneration	Proposed Remuneration	Job Profile and her suitability	Comparative remuneration profile of the Industry, size of the Company, profile of the position and person	Pecuniary and other relationship with managerial personnel
Smt. Mamta Bhatia [Age - 57 years]	Smt. Mamta Bhatia [Age - 57 years] is Graduate from the University of Allahabad. Having 13 years' experience in the field of Marketing and Finance	₹ 5,50,000/- P.M. + perquisites + incentive subject to maximum limits as specified under Companies Act, 2013	₹ 5,50,000/- P.M. + perquisites + incentive subject to maximum limits as specified under Companies Act, 2013	Managerial experience and past performance make her most suitable for the position of Whole-Time Director.	Remuneration is commensurate with similar size of Company and the prevailing Industry trends.	Smt. Mamta Bhatia holds 38,038 Equity Shares of the Company and except for payment of remuneration she does not have any other pecuniary relationship with the Company.  Except Shri Kundal Lal Bhatia, Shri Kapil Bhatia, Managing Director, Shri Neeraj Bhatia, and Smt. Manju Bhatia, Whole-Time Directors, Smt. Mamta Bhatia not related with any other Director of the Company.



Name	Background details/ recognition awards	Past Remuneration	Proposed Remuneration	Job Profile and her suitability	Comparative remuneration profile of the Industry, size of the Company, profile of the position and person	Pecuniary and other relationship with managerial personnel
Smt. Manju Bhatia [Age - 54 years]	Smt. Manju Bhatia [Age - 54 years] is Graduate from Hemwati Nandan Bahugana University Having 10 years experience in the field of overall management and financial controls of the Company.	₹ 5,50,000/- P.M. + perquisites + incentive subject to maximum limits as specified under Companies Act, 2013	₹ 5,50,000/- P.M. + perquisites + incentive subject to maximum limits as specified under Companies Act, 2013	Managerial experience and past performance make her most suitable for the position of Whole-Time Director.	Remuneration is commensurate with similar size of Company and the prevailing Industry trends.	Smt. Manju Bhatia holds 20,380 Equity shares of the Company and except for payment of remuneration she does not have any other pecuniary relationship with the Company.  Except Shri Kundal Lal Bhatia, Shri Kapil Bhatia, Managing Director, Shri Neeraj Bhatia, and Smt. Mamta Bhatia, Whole-Time Directors, Smt. Manju Bhatia not related with any other Director 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 ₹ 764.30 Lacs for the financial year ended 31<sup>st</sup> March, 2023 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 are expected to yield positive results for the Company.

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

Smt. Manju Bhatia, as Whole-Time Director has together with other Directors steered the Company successfully in all ups and downs and her contribution is reflected in sustained performance of the Company. The Company expects to improve its performance and achieve new milestones in times ahead.

### (IV) Disclosures

The relevant disclosures are being made in the Corporate Governance Report annexed to the Boards' Report which forms part of the Annual Report.

#### ITEM NO. 6

The Board, on the recommendation of the Audit Committee, has approved the appointment and remuneration of M/s. R.M. Bansal & Co., Cost Accountants (FRN: 000022) as Cost Auditors to conduct the audit of the cost records of the Company's products 'Steel', for the financial year ending 31<sup>st</sup> March, 2024 on the terms and conditions as set out in the resolution placed at Item No. 6 of the Notice.

In accordance with the provisions of Section 148 of the Companies Act, 2013 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.

Accordingly, consent of the shareholders is sought for passing Ordinary Resolutions as set out at Item No. 6 of the Notice for ratification of the remuneration payable to the Cost Auditors for the financial year ending 31<sup>st</sup> March, 2024.

The Board recommends the Ordinary Resolution set out at Item No. 6 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 Resolutions set out at Item No. 6 of the Notice.

**Registered Office:**

Km 25/4, Kalpi Road, Rania,  
Kanpur Dehat-209304

**Date:** 9<sup>th</sup> August, 2023

BY ORDER OF THE BOARD  
FOR **FRONTIER SPRINGS LIMITED**

**(DHRUV BHASIN)**  
Company Secretary

# Directors' Report

To  
The Shareholders of,  
**Frontier Springs Limited,**

Your Directors have pleasure in presenting the Forty-Third Annual Report of the Company together with the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2023.

## FINANCIAL RESULTS

The summarized financial results of the Company for the year ended 31<sup>st</sup> March, 2023 as compared to the preceding year are as under:

Particulars	(Amount in Lacs)	
	2022-23	2021-22
Income from Operations/Turnover	10799.13	8463.08
Profit Before Interest, Depreciation and Tax	1330.88	1320.95
Less: Interest	33.43	28.12
Less: Depreciation	320.17	285.27
Profit Before Tax	977.28	1007.56
Income Tax		
Less: Current year Tax	233.52	251.15
Less: Previous year Tax	0.00	1.73
Less: Deferred Tax	19.71	3.24
Net Profit	724.05	751.44
Add: Other Comprehensive Income (after Tax)	40.25	76.42
Total Comprehensive Income for the period	764.30	827.87
Proposed Dividend	39.39	39.39
Balance available for appropriation	724.91	788.48
Surplus B/F from Previous Year	6347.10	5558.63
Transfer to General Reserve	0.00	0.00
<b>Surplus carried to Balance sheet</b>	<b>7072.02</b>	<b>6347.11</b>

## FINANCIAL AND OPERATIONAL PERFORMANCE

The financial statements for the year ended 31<sup>st</sup> March, 2023 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 total income of the Company was ₹ 10799.13 Lacs. The operating profit (EBIDTA) stood at ₹ 1330.88 lacs. During the year under review, the Company has earned at net profit of ₹ 724.05 lacs.

The performance of the Company during the current FY 2022-23 continues to be encouraging and barring unforeseen circumstances, your Directors except your Company to achieve better results during the year.

## TRANSFER TO RESERVES

The Board of Directors has decided to retain the entire amount of profit for Financial Year 2022-23 in the statement of profit and loss.

## SHARE CAPITAL

As on 31<sup>st</sup> March, 2023, your Company has Total Paid up Share Capital of ₹ 3,93,85,110 divided into 39,38,511 Equity shares of ₹ 10/- each.

## DIVIDEND

The Board is pleased to recommend a dividend of ₹ 1 per Equity Share (i.e @10%) of ₹ 10/- each of the Company for the financial year 2022-23, payable to those shareholders, whose names appear in the Register of Members/Beneficial Ownership list provided by the depositories on the record date, involving cash outflow of ₹ 39.39 Lacs of the Company's standalone net profit for the financial

year 2022-2023. Dividend is subject to approval of members at the ensuing Annual General Meeting (AGM) and shall be subject to deduction of income tax at source.

## EXPANSION

- We have already supplied Air Springs to Indian Railways and fitment trials are underway which are nearly to be completed in the month of October 2023. In next financial year and coming years, there will be substantial increase in the turnover and profitability because of addition of Air Springs in our product line.
- This year the Railway Board has finalized the tender of 45000 wagons from wagon builders in addition to 90,000 wagons orders finalized last years for which supplies will take place in next three years which will give us good orders and value addition for wagon springs and forgings which will increase the turnover manifold in coming three years.
- The orders for manufacturing of Springs/Forging for Linke-Hofmann Busch (LHB) coaches and Electric Locomotives Springs such as WAP-7 and WAG-9H 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.

## 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 AND KEY MANAGERIAL PERSONNEL

- 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), Whole time Director of the Company retires from the Board by rotation, at the ensuing Annual General Meeting (AGM) of the Company and being eligible he has offered herself for re-appointment. The Board recommends the proposal of his re-appointment for consideration of the members at the ensuing AGM of the Company.

The Board of Directors of the Company at its meeting held on 9<sup>th</sup> August, 2023 has unanimously approved the re-appointment of Smt. Mamta Bhatia (DIN:03480368) and Smt. Manju Bhatia (DIN: 03480362) as Whole-Time Directors of the Company for a further period of 5 (Five) years with effect from 14<sup>th</sup> May, 2024 and 14<sup>th</sup> November, 2023 respectively, subject to the approval of the members at the ensuing AGM on the terms and conditions recommended by Nomination and Remuneration Committee. The Board recommends the proposal of re-appointment of the aforesaid Directors for consideration of the Members at the ensuing AGM of the Company. Appropriate resolutions seeking Member's approval for re-appointment of the Directors along-with the brief profile are placed in the Notice of the ensuing AGM of the Company.

## 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:

Sr. 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 and they have also confirmed that they are not aware of any circumstance or situation which exist or may be reasonably anticipated, that could impair or impact their ability to discharge their duties with an objective independent judgment and without any external influence.

In terms of Section 150 of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, Independent Directors of the Company have confirmed that they have registered themselves with the databank maintained by the Indian Institute of Corporate Affairs.

In the opinion of the Board, all the independent directors on the Board of the Company possess requisite qualifications and attributes of integrity, expertise and experience.

## MEETINGS OF THE BOARD

During the financial year 2022-23, 4 (Four) meetings of the Board of Directors were held and, the details of which are given in the Corporate Governance Report that forms part of this Annual Report. The intervening gap between two consecutive meetings were within the period prescribed by the Companies Act, 2013 and the Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulation").

## BOARD EVALUATION

The Board of Directors at its meeting held on 11<sup>th</sup> February, 2023 has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to provisions of the Act and SEBI Listing Regulations.

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

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



In the Board Meeting that followed the meeting of the independent directors and meeting of Nomination and Remuneration Committee, the performance of the Board, its committees, and individual directors was also discussed. The 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 11<sup>th</sup> February, 2023 the 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 of the Company.

## CORPORATE GOVERNANCE

The Company is committed to sound corporate governance practices as well as compliance with all applicable laws and regulations. The Board believes that combining the highest level of ethical principles with our unmatched brand, experience and expertise, will ensure that Frontier Springs Limited will continue to be the leading Company in the Railway Sector. The Corporate Governance Report, as stipulated under Regulations 17 to 27 and 46(2) and Paragraph C, D and E of Schedule V to the SEBI Listing Regulations, forms part of the Annual Report

The Report on Corporate Governance as stipulated under SEBI Listing Regulations is annexed to the Annual Report as **Annexure-A** and forms part of this report.

The Certificates from M/s P. Manghwani & Associates certifying that:

- (1) the Company has complied with the requirements of Corporate Governance in terms of SEBI (LODR) Regulations, 2015;
- (2) none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing directors of Companies by SEBI/MCA; are attached and forms part of this report

## 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 inter-alia 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 <https://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 for a period of 5 (Five) years at the 42<sup>nd</sup> Annual General Meeting of the Company held on 28<sup>th</sup> September, 2022 who shall hold office for a period of 5 (Five) from the conclusion of the 47<sup>th</sup> Annual General Meeting of the Company to be held in the year 2027 in accordance with the provisions of the Companies Act, 2013. The Auditors have confirmed that they not disqualified from continuing as Statutory Auditors of the Company.

The Audit Report from the Statutory Auditors forms part of this Annual Report. The said report does not contain any qualification, reservation or adverse remark.

### (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 Registration. No.: 00022), have been appointed as Cost Auditors of the Company to conduct the audit of the Cost Accounts of the Company, for the financial year 2023-24. 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 has appointed M/s P. Manghwani & Associates, Practicing Company Secretary as Secretarial Auditor of the Company, to undertake Secretarial Audit for the financial year 2022-23. The Secretarial Audit Report for the year ended 31<sup>st</sup> March, 2023 is annexed herewith as **Annexure-B** to this report.

The Secretarial Audit Report for the financial year 2022-23 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 & Co., Chartered Accountants, Kanpur, to conduct the Internal Audit of the functions and activities of the Company for the Financial Year 2022-23. The Quarterly Internal Audit Report is placed before the Audit Committee of the Company for its review, at regular intervals.

## ANNUAL RETURN

As per the requirement of Section 134(3)(a) read with Section 92(3) of the Companies Act, 2013, the Annual Return for the year 2022-23 has been placed on the Company's website at <https://frontiersprings.co.in/downloads/MGT-annual-report-2021-22.pdf>

## 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 SEBI Listing Regulations), a Management Discussion & Analysis Report for the year under review is annexed on page 14 as a separate section forming 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 2022-23 is annexed as **Annexure-C** 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 31<sup>st</sup> March, 2023 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

In terms of Section 135 and Schedule VII of the Companies act 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended, the Board of Directors of your Company had constituted a Corporate Social Responsibility Committee which under take CSR activities, projects and programs as provided in the CSR Policy of the Company and identified under Schedule VII of the Companies Act, 2013. The Composition of the CSR Committee along-with the detailed report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended is annexed with this report as **Annexure-D** and forms an integral part of this Report.

Corporate Social Responsibility Committee of the Board has developed a CSR policy which can be accessed on <https://frontiersprings.co.in/downloads/Whistle%20Blower%20Policy.pdf>

## 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.

In terms of Rule 2(1)(c)(viii) of the Companies (Acceptance of Deposits) Rules, 2014, the Company, during the year, had not accepted any unsecured loans from the Directors of the Company.

## PARTICULARS OF EMPLOYEES

The disclosure required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) & 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is annexed as **Annexure-E** and forms an integral part of this report. The information showing names and other particulars of employees as per Rule 5(2) and 5(3) of the aforesaid rules forms part of this report.

## PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS BY THE COMPANY

Your Company has not given any loans or provided guarantees and/or any securities or provided security attracting provisions of Section 186 of the Companies Act, 2013 and Schedule V of the SEBI Listing Regulations. However, the details of investments made are provided in the Note No.2 of the Notes to the Financial Statements for the year ended 31<sup>st</sup> March, 2023.

## LISTING

The Equity Shares of Company continued to be listed at BSE Limited and the Annual Listing Fee for the financial year 2022-23 has been paid up-to date within the stipulated time period.

## 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 SECRETARIAL 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

The composition of Audit Committee is in line with the provisions of Section 177 of the Act read with Regulation 18 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Audit Committee comprises of 5 (five) members and all members are Independent Directors of the Company. 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.

## VIGIL MECHANISM/WHISTLE BLOWER POLICY

Pursuant to Section 177 of the Companies Act, 2013 and the SEBI Listing Regulations, 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.

The policy has been posted on the website of the Company and may be accessed at the link: <https://frontiersprings.co.in/downloads/Whistle%20Blower%20Policy.pdf>

## 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.

The Risk Management Policy has been uploaded on the Company's website and may be accessed at the link <https://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.

The Code of Conduct for Insider trading is placed on the website of the Company and can be accessed through the link: [https://frontiersprings.co.in/downloads/Code\\_of\\_Conduct\\_for\\_Prevention\\_of\\_Insider\\_Trading\\_FSL%20\(2\).pdf](https://frontiersprings.co.in/downloads/Code_of_Conduct_for_Prevention_of_Insider_Trading_FSL%20(2).pdf)

## POLICY ON SEXUAL HARASSMENT

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 2022-23.

## 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 2022-23 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/continue to be entered into with related parties were in the ordinary course of business and on an arm's length basis. The omnibus approval from the Audit Committee was obtained on Annual basis for transactions of repetitive nature and which are subsequently approved by the Board of Directors 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 and accordingly, the disclosure of Related party transaction as required under Section 134(3)(h) of the Companies Act, 2013 and Regulation 23 of the SEBI Listing Regulations, in Form AOC-2 does not form part of this report. However, the related party transactions entered by the Company are disclosed under Note No. 32 of the Notes to the financial statements for the year ended 31<sup>st</sup> March, 2023.

In line with the requirements of the Act and the Listing Regulations, the Company has formulated a Policy on Related Party Transactions and the same can be accessed on the Company's website at <https://frontiersprings.co.in/downloads/Policy%20on%20Related%20Party%20Transactions.pdf>

### GENERAL

- The Company has not issued any equity shares with differential rights as to dividend, voting or otherwise.
- The Company has not issued any shares (including sweat equity shares) to employees of the Company or its subsidiary under any scheme.
- There is no change in the Share Capital Structure of the Company during the year under review.

- There was no revision in the financial statements.
- There has been no change in the nature of business of the Company.
- There is no proceeding initiated/pending against the Company under the Insolvency/Bankruptcy Code, 2016.
- There was no instance of time settlement with any bank or financial institution.

### 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.

#### Registered Office:

Km 25/4, Kalpi Road, Rania,  
Kanpur Dehat-209304

**Place:** Kanpur

**Date:** 9<sup>th</sup> August, 2023

BY ORDER OF THE BOARD  
FOR **FRONTIER SPRINGS LIMITED**

**(KUNDAN LAL BHATIA)**  
CHAIRMAN CUM MANAGING DIRECTOR  
(DIN: 00581799)



# Annexure-A

## To the Directors' Report

### Corporate Governance Report 2022-2023

#### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

Corporate Governance at Frontier Springs Limited is integral to its existence. Your Company believes that good Corporate Governance is a commitment to run the businesses in a legal, ethical and a transparent manner, a dedication that must emanate from the top and permeate throughout the organization. We believe that Corporate Governance is the bed rock for fostering a state-of-the-art and future ready organization delivering extra-ordinary and sustainable growth. Our Corporate Governance practices are driven by timely disclosures, transparent accounting policies and high levels of integrity in decision making. In dealing with external shareholders, the Company believes in maintaining complete transparency with timely exchange of information. The leadership in the Company sets the tone through their actions and this ensures that organization remains true to its culture and values in letter and spirit.

#### 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 31<sup>st</sup> March, 2023, 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 2022-23 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
Mr. Kundan Lal Bhatia (DIN: 00581799)	Promoter-Executive	4	Yes	3	1	-
Mr. Kapil Bhatia (DIN: 00582337)	Promoter-Executive	4	Yes	-	-	-
Mr. Neeraj Bhatia (DIN: 00582395)	Promoter-Executive	4	Yes	-	-	-
Mrs. Mamta Bhatia (DIN: 03480368)	Promoter-Executive	4	Yes	-	-	-
Mrs. Manju Bhatia (DIN: 03480362)	Promoter-Executive	4	Yes	-	-	-
Mr. Yashpal (DIN: 00929185)	Non-Executive & Independent	4	Yes	1	4	5
Mr. R. K. Bhatia (DIN: 00958948)	Non-Executive & Independent	2	Yes	-	-	3
Mr. Sarabjit Singh (DIN : 07705856)	Non-Executive & Independent	4	Yes	-	1	3
Mr. Nimesh Mukerji (DIN: 07705885)	Non-Executive & Independent	4	Yes	-	-	3
Mr. K.P Somkuwar (DIN: 08712772)	Non-Executive & Independent	4	Yes	-	-	3

##### Relationship between Directors inter-se:

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.

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 Directors being re-appointed:**

Mr Neeraj Bhatia Manju Bhatia aged about 56 years graduated from Chhatrapati Shahuji Maharaj University, was appointed as Whole Time Director of the Company w.e.f. 22<sup>th</sup> April, 1991. He is a dynamic personality who has really brought a drastic change in the overall production and marketing of the Company. He has also contributed in improving the marketing strategies Neeraj Bhatia holds 5,57,430 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 2022-23:**

During the year 2022-23, Four Board Meetings were held. The details of meeting are as under:

Sr. No	Date of Board Meeting	Board Strength	No. of Members Present
1.	27.05.2022	10	9
2.	09.08.2022	10	10
3.	14.11.2022	10	9
4.	11.02.2023	10	9

**Information placed before the Board:**

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.

**Key Skills/Expertise/Competencies of the Board:**

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 and 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 and can also be accessed on the website of the Company through the link: <https://frontiersprings.co.in/downloads/appointment-letter-independent-director.pdf>

**D. Familiarization programmes for Board members**

.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 31<sup>st</sup> March, 2023 one Independent Directors Meeting was held on 11<sup>th</sup> February, 2023. At the meeting, the Independent Directors inter alia:

- 1) Evaluated the performance of Non-Independent Directors and the Board as a Whole;
- 2) Evaluated the performance of the Chairman of the Company, taking into account the views of Executive and Non-Executive Directors;
- 3) Evaluated 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**

- 1) 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. The code of conduct of the Company is available at <https://frontiersprings.co.in/downloads/CODE%20OF%20BUSINESS%20CONDUCT%20AND%20ETHICS%20FOR%20DIRECTORS%20AND%20SENIOR%20MANAGEMENT.pdf>

### 3. COMMITTEES OF THE BOARD

As on 31<sup>st</sup> March, 2023, the Company has four Board Level Committees:

- a. Audit Committee;
- b. Nomination and Remuneration Committee;
- c. Stakeholder's Relationship Committee;
- d. Corporate Social Responsibility Committee.

#### A. Audit Committee:

##### Composition

The Company has an Audit Committee constituted in accordance with the Corporate Governance Requirements. As on

31<sup>st</sup> March, 2023 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 31<sup>st</sup> March, 2023 four Audit Committee meetings were held on 27<sup>th</sup> May, 2022; 9<sup>th</sup> August, 2022; 14<sup>th</sup> November, 2022 and 11<sup>th</sup> February, 2023. The details of the meetings are as under:

Details of the Attendance at the Meetings are as follows:

Sr. 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.K Bhatia	Non-Executive/Independent	4	2
4.	Mr. Nimesh Mukerji	Non-Executive/Independent	4	3
5.	Mr. K.P Somkuwar	Non-Executive/Independent	4	4

Mr. Sarabjit Singh, Chairman of the Audit Committee was present at the last Annual General Meeting held on 28.09.2022.

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.

**Remuneration Policy**

The Company has adopted policy on Nomination & Remuneration which is available on the website of the Company at the link <https://frontiersprings.co.in/downloads/Nomination%20and%20Remuneration%20Policy.pdf>

During the financial year ended 31<sup>st</sup> March, 2023, one meeting of Nomination and Remuneration Committee was held on 11<sup>th</sup> February, 2023

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

**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 2022-23, four Committee Meetings were held on 27<sup>th</sup> May, 2022; 9<sup>th</sup> August, 2022; 14<sup>th</sup> November, 2022 and 11<sup>th</sup> February, 2023. Details of the meetings are as under:

Sr. 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. K. Bhatia	Non-Executive/Independent	4	2
4.	Mr. Nimesh Mukerji	Non-Executive/Independent	4	3
5.	Mr. K.P Somkuwar	Non-Executive/Independent	4	4

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 2022-23, 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.

**Compliance Officer:**

Compliance officer of the Company: Mr Dhruv Bhasin, Company Secretary

**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.



- d) To institute a transparent monitoring mechanism for implementation of the CSR Projects/Programs/activities undertaken by the Company.
- e) 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 31.03.2023, two Corporate Social Responsibility (CSR) Committee Meetings was held on 09.08.2022 and 11.02.2023

Sr. No	Name of the Director	Category	No. of Committee Meeting during the tenure	
			Held	Attended
1.	Mr. K.L Bhatia, Chairman	Executive Director	2	2
2.	Mr. Neeraj Bhatia	Executive Director	2	2
3.	Mr. Yashpal	Non-Executive/Independent	2	2
4.	Mr. Sarabjit Singh	Non-Executive/Independent	2	2

The Company has adopted Corporate Social Responsibility Policy which is available on the website of the Company at the link: [https://frontiersprings.co.in/downloads/FSL\\_Corporate%20Social%20Responsibility%20Policy-.pdf](https://frontiersprings.co.in/downloads/FSL_Corporate%20Social%20Responsibility%20Policy-.pdf)

**4. GENERAL BODY MEETINGS**

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

2021-22	
<b>Date and Time</b>	28.09.2022; 12:30 P.M.
<b>Venue</b>	Km 25/4, Kalpi Road, Rania, Kanpur Dehat-209304
<b>Special Resolution</b>	1) To approve the remuneration of Shri K.L Bhatia (00581799) CMD of the Company. 2) To approve the remuneration of Shri Kapil Bhatia (00582337) Managing Director of the Company. 3) To approve the remuneration of Shri Neeraj Bhatia (00582395) Whole-Time Director of the Company. 4) To approve the remuneration of Smt Mamta Bhatia, (03480368) Whole-Time Director of the Company.
2020-21	
<b>Date and Time</b>	30.09.2021;12:30 P.M.
<b>Venue</b>	Held through VC/OAVM
<b>Special Resolution</b>	1) To re-appoint Shri Sarabjit Singh (DIN:07705856) as a Non-Executive Independent Director. 2) To re-appoint Shri Nimesh Mukerji (DIN:07705885) as a Non-Executive Independent Director. 3) To approve the remuneration of Smt. Manju Bhatia (DIN: 03480362) Whole-Time Director and Promoter in terms of Regulation 17(6)(e) of SEBI Listing Regulations and Companies Act, 2013. 4) To make investments, give loans and guarantees and to provide securities in excess of the limits prescribed in Section 186 of the Companies Act, 2013.
2019-20	
<b>Date and Time</b>	30.09.2020
<b>Venue</b>	Held through VC/OAVM
<b>Special Resolution</b>	1) Re-appointment of Shri K.L Bhatia as Chairman Cum Managing Director of the Company. 2) Re-appointment of Shri Kapil Bhatia as Managing Director of the Company. 3) Re-appointment of Shri Neeraj Bhatia as Whole-Time Director of the Company.

**Postal Ballot**

No postal Ballot was conducted during the financial year 2022-23.

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](http://www.frontiersprings.co.in). The Annual Report is being sent through email to members whose Email ID's are registered with Company.

## 6) GENERAL SHAREHOLDER'S INFORMATION

(i) Annual General Meeting: Date: 30<sup>th</sup> September, 2023 Time: 12:00 P.M.

(ii) Calender for Financial Year Ended March 2024:	Particulars of Quarter	On or before
	First Quarter Results	14.08.2023
	Second Quarter Results	14.11.2023
	Third Quarter Results	14.02.2024
	Fourth Quarter & Annual Results	29.05.2024

(iii) Date of Book Closure: 24<sup>th</sup> September, 2023 to 30<sup>th</sup> September, 2023 (Both days inclusive).

(iv) Dividend payment date, if declared: On or after 5<sup>th</sup> October, 2023

(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 2022-23:

Month	High (₹)	Low (₹)	Close (₹)	No. of shares traded
April 2022	395.00	269.25	362.75	2,47,092
May 2022	374.00	288.00	302.35	72,664
June 2022	323.50	260.30	279.70	28,754
July 2022	315.00	275.75	305.60	34,211
August 2022	338.00	291.20	299.85	62,294
September 2022	495.00	299.05	438.50	43,76,81
October 2022	524.00	411.95	469.35	1,79,149
November 2022	539.95	426.00	494.00	1,68,108
December 2022	529.00	428.00	469.85	1,18,221
January 2023	504.00	435.50	463.75	52,277
February 2023	493.40	365.50	367.05	55,338
March 2023	425.00	342.00	357.60	62,957

The information is downloaded from official website of BSE Limited

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

**(ix) Share Transfer System:**

The Board Of Directors of the Company have delegated the power of approval of share transfer, transmission, dematerialization and related matters to M/s. Alankit Assignments Ltd., The registrar and share transfer agent of the Company (RTA), subject to review by Stakeholder's Relationship Committee of the Board on quarterly basis. The shares received for transfer in physical form are processed by RTA within the time limit stipulated by the listing regulations, Subject to transfer instrument being valid & complete in all respects. However, shareholders may note that SEBI has mandated that securities of listed companies can be transferred only in dematerialized form w.e.f 1<sup>st</sup> April, 2019. Accordingly, the Company/its RTA have stopped accepting any fresh lodgment of transfer of shares in physical form. Members are advised to dematerialize their physical shares for ease of transfer.

Further, SEBI vide its notification dated 25<sup>th</sup> January, 2022, amended the SEBI Listing Regulations and mandated that (i) transmission; (ii) transposition; (iii) Issue of duplicate securities certificate; (iv) Claim from Unclaimed Suspense Account; (v) Renewal/Exchange of Securities Certificate; (vi) Endorsement; (vii) Sub-division/Splitting of securities certificates/folios of securities would be carried out in dematerialised form only. Accordingly requests for effecting the above-mentioned dealings of physical securities will be carried in accordance with SEBI Circular SEBI/HO/MIRSD/ MIRSD\_RTAMB/P/CIR/2022/8 dated 25<sup>th</sup> January, 2022.

**Freezing of Folios:**

SEBI vide its Circular no SEBI/HO/MIRSD/MIRSD-PoD-1/P/CIR/2023/37 dated 16<sup>th</sup> March, 2023, has made it **mandatory for all the shareholders holding shares in physical form to furnish PAN, Nomination, Contact details Bank A/c details and Specimen Signature** for their corresponding folio numbers and had stipulated that the **folio's in which any of the above details are not available on or after 1<sup>st</sup> October, 2023 shall be frozen by Company's Registrar and Share Transfer Agents (RTA).**

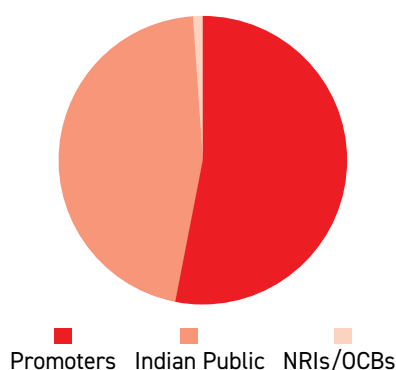
**Therefore, all the shareholders holding shares in physical form are advised to update PAN, Nomination, Contact details, Bank A/c details and Specimen Signature with Company/its RTA by 30<sup>th</sup> September, 2023.**

**(x) Distribution of Shareholding as on 31<sup>st</sup> March, 2023:**

Sr. No.	Category (Shares)	NSDL			CDSL			Physical			Total		
		Holders	Shares	% to total shares	Holders	Shares	% to total shares	Holders	Shares	% to total shares	Holders	Shares	% to total shares
0	1 - 500	1706	168910	4.29	2654	203285	5.16	1066	160279	4.07	5426	532474	13.52
1	501 - 1000	80	64015	1.63	97	72967	1.85	33	29915	0.76	210	166897	4.24
2	1001 - 2000	47	73350	1.86	44	62354	1.58	11	13820	0.35	102	149524	3.8
3	2001 - 3000	19	49171	1.25	15	38926	0.99	3	7500	0.19	37	95597	2.43
4	3001 - 4000	12	41995	1.07	6	22055	0.56	0	0	0	18	64050	1.63
5	4001 - 5000	4	18800	0.48	4	18156	0.46	0	0	0	8	36956	0.94
6	5001 - 10000	11	76876	1.95	5	30733	0.78	0	0	0	16	107609	2.73
7	10001 - 20000	5	67452	1.71	2	26555	0.67	0	0	0	7	94007	2.39
8	20001 - 9999999999	10	2346318	59.57	8	320079	8.13	1	25000	0.63	19	2691397	68.34
	<b>TOTAL</b>	<b>1894</b>	<b>2906887</b>	<b>73.81</b>	<b>2835</b>	<b>795110</b>	<b>20.18</b>	<b>1114</b>	<b>236514</b>	<b>6</b>	<b>5843</b>	<b>3938511</b>	<b>100</b>

**(xi) Shareholding Pattern as on 31<sup>st</sup> March, 2023:**

Shareholding as on 31.03.2023



Name of the Director	No. of shares held	% of Share holding
Promoters	20,38,565	51.76
Mutual Funds and UTI	-	-
Financial Institutions, Banks and Insurance Companies	-	-
Private Body Corporate	1,15,683	2.94
FII's	-	-
Indian Public	17,44,347	44.29
NRIs/OCBs	39,916	1.01
<b>TOTAL</b>	<b>39,38,511</b>	<b>100%</b>

**(xii) Dematerialization of shares:**

ISIN Code: Equity Shares: INE572D01014

As on 31<sup>st</sup> March, 2023, 93.99% 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 1<sup>st</sup> 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:** There were no GDRs/ADRs warrants or any convertible instruments outstanding for conversion as on 31<sup>st</sup> March, 2023.

**(xiv) Registered Office & Works:**

- |   |  |
|---|--|
| (i) Registered Office & Manufacturing Unit: | Km 25/4 Kalpi Road Rania<br>Kanpur Dehat – 209304                                  |
| (ii) Additional Works:                      | Rampur Ghat Road<br>Village Kunja Tehsil Poanta Sahib Distt. Sirmour<br>H.P-173025 |
| (iii) Corporate Office:                     | E-14, Panki Industrial Area,<br>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](mailto:c.s@frontiersprings.co.in)
- With the Registrar & Share Transfer:
 

Alankit Assignments Ltd  
1E/13, Jhandewalan Extension, New Delhi-110055  
Telephone No:011-42541958  
Email: [lalitap@alankit.com](mailto:lalitap@alankit.com)

**(xvi) Corporate Identification Number:** L17119UP1981PLC005212

**(xvii) E-mail for investors:**

The Company has designated [c.s@frontiersprings.co.in](mailto: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.

**(xix) Mandatory Transfer of Shares to Demat Account of Investor Education & Protection Fund Authority (IEPFA):**

In terms of Section 124(6) of the Companies Act, 2013 read with Rule 6 of the Investor Education & Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, (as amended from time to time) all shares in respect of which dividend has not been paid or claimed by a shareholder for a period of seven consecutive years or more shall be credited to the Demat Account of IEPFA. Upon transfer of such shares, all benefits (like bonus etc.), if any, accruing on such shares shall also be credited to such Demat Account and the voting rights on such shares shall

remain frozen till the rightful owner claims the shares. Shares which are transferred to the Demat Account of IEPFA can be claimed by shareholder from IEPFA by following the procedure prescribed under the aforesaid rules. Therefore, it is in the interest of shareholders to regularly claim the dividends declared by the Company.

**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 Transactions Policy which can be accessed on the link: <https://frontiersprings.co.in/downloads/Policy%20on%20Related%20Party%20Transactions.pdf>



**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) Whistle Blower Policy:**

Pursuant to Section 177 of the Companies Act, 2013 and regulation 22 of Listing Regulations, The Company has formulated whistle blower policy for vigil mechanism for Directors & Employees to report to the management about the unethical behavior, actual or suspected fraud, Violation of code of conduct, incorrect or misrepresentation of any financial statements etc. It provides for adequate safeguards against victimization of Employees & Directors who use such mechanism and makes provision for direct access to the Chairman of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee. The policy has been posted on the website of the Company & may be accessed at the link: <https://frontiersprings.co.in/downloads/Whistle%20Blower%20Policy.pdf>

**d) 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.

**i) 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

**j) Details of utilization of funds raised through Qualified institutions placement as specified under Regulation 32(7A):** None

**k) 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 cum 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 2022-23.

**Place:** Kanpur

**Date:** 9<sup>th</sup> August, 2023

**(KUNDAN LAL BHATIA)**  
CHAIRMAN CUM MANAGING DIRECTOR  
(DIN: 00581799)

**e) 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.

**f) 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.

**g) 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.

**h) 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.

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**

Pursuant to Regulation 34(2) and schedule V Para C clause (i) of point (10) 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 relevant registers, records, forms, returns and disclosures received from the Directors of Frontier Springs Limited having **CIN: L17119UP1981PLC005212** and having registered office at 25/4 Kalpi Road Rania Kanpur, Dehat UP 209304 India (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of my/our information and according to the verifications (including Directors Identification Number (DIN) status at the portal ([www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to us by the Company & its officers, We hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31<sup>st</sup> March, 2023 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of Director	Category/Designation	DIN	Date of Appointment/ Reappointment in Company
1	Kundan Lal Bhatia	Executive/Managing Director	00581799	24/02/1981
2	Kapil Bhatia	Executive/Managing Director	00582337	03/01/1994
3	Neeraj Bhatia	Executive/Whole-Time Director/CFO	00582395	22/04/1991
4	Yash Pal Sethi	Non-Executive/Independent Director	00929185	20/03/2003
5	Ramesh Kumar Bhatia	Non-Executive/Independent Director	00958948	20/03/2003
6	Manju Bhatia	Executive/Whole-Time Director	03480362	14/11/2013 (Re-appointed on 28/09/2022)
7	Mamta Bhatia	Executive/Whole-Time Director	03480368	14/05/2014
8	Sarabjit Singh	Non-Executive/Independent Director	07705856	12/11/2016
9	Nimesh Mukerji	Non-Executive/Independent Director	07705885	09/02/2017
10	Keshao Parnuji Somkuwar	Non-Executive/Independent Director	08712772	08/02/2020

Ensuring the eligibility of for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **P Manghwani & Associates**

**Priyanka Manghwani**  
Company Secretary in Practice  
M.No.: F9912  
C.O.P: 12498  
FRN: S2016UP357400  
Peer Review No.: 4002/2023

**Place:** Lucknow  
**Date:** 11<sup>th</sup> August, 2023  
**UDIN:** F009912E000786017

**CERTIFICATE ON COMPLIANCE WITH THE REGULATIONS OF CORPORATE GOVERNANCE**

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

**To The Shareholders Of Frontier Springs Limited**

1. I, Priyanka Manghwani, Company Secretary in Practice, the Secretarial Auditor of Frontier Springs Limited ("the Company"), have examined the compliance of conditions of Corporate Governance by the Company, for the year ended on 31<sup>st</sup> March, 2023, as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paras C and D of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and amendments from time to time (the "Listing Regulations").

**2. Management's Responsibility**

The compliance of conditions of Corporate Governance is the responsibility of the Management. This responsibility includes the design, implementation and maintenance of internal control and procedures to ensure compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

**3. Auditors' Responsibility**

My responsibility is limited to examining the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance.

It is neither an audit nor an expression of opinion on the financial statements of the Company.

I have examined the relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

**4. Opinion**

Based on my examination of the relevant records and according to the information and explanations provided to me and the representations provided by the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in regulations 17 to 27 and clauses (b) to (i) of regulation 46(2) and paras C and D of Schedule V of the Listing Regulations during the year ended 31<sup>st</sup> March, 2023.

5. I 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 Reporting of internal auditor directly to the Audit Committee.

For **P Manghwani & Associates**

**Priyanka Manghwani**  
Company Secretary in Practice  
M.No.: F9912  
C.O.P: 12498  
FRN: S2016UP357400  
Peer Review No.: 4002/2023

**Place:** Lucknow  
**Date:** 11<sup>th</sup> August, 2023  
**UDIN:** F009912E000786017

**CEO CFO CERTIFICATE**

To,  
The Board of Directors  
**Frontier Springs Limited**

Dear Sir,

- A. We have reviewed the standalone financial statements and the cash flow statement for the year 2022-2023 and that to the best of our knowledge and belief:
- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit Committee:
- (1) Significant changes in internal control over financial reporting during the year;
  - (2) Significant changes in accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
  - (3) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Kundan Lal Bhatia**  
Chairman cum Managing Director  
DIN: 00581799

**Neeraj Bhatia**  
CFO  
DIN: 00582395



# Annexure-B

## Secretarial Audit Report

For the financial year ended 31<sup>st</sup> March, 2023

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

To,  
The Members

### Frontier Springs Limited

Registered Office: 25/4 Kalpi Road Rania  
Kanpur Dehat, UP-209304, 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 31<sup>st</sup> March, 2023 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 31<sup>st</sup> March, 2023 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) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (*Not applicable as the Company has not issued any securities during the Audit Period*);
- (e) 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*);
- (f) 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*);
- (g) 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;
- (h) 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
- (i) 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*).

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.

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**

**Priyanka Manghwani**  
Company Secretary in Practice  
M.No.: F9912  
C.O.P: 12498  
FRN: S2016UP357400  
Peer Review No.: 4002/2023

**Place:** Lucknow

**Date:** 11<sup>th</sup> August, 2023

UDIN: F009912E000786116

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 happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **P Manghwani & Associates**

**Priyanka Manghwani**

Company Secretary in Practice

M.No.: F9912

C.O.P: 12498

FRN: S2016UP357400

Peer Review No.: 4002/2023

**Place:** Lucknow

**Date:** 11<sup>th</sup> August, 2023

# Annexure-C

## To Directors' Report

### Conservation Of Energy, Technology Absorption And Foreign Exchange Earning and Outgo

Information as per Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 (3) of the Companies (Accounts) Rules, 2014 for the year ended 31<sup>st</sup> March, 2023.

#### A. CONSERVATION OF ENERGY

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

The Company has always been a front runner in constantly improving its operational performance in all areas while giving due importance to conservation of energy. During the year under review, the following measures have been taken by the Company for continual improvement of processes across all energy consuming facilities;

- a) Use of energy efficient motors for all new projects.
- b) Sharing of best practices at each plant started for easy replication of applicable ideas.
- c) 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.
- d) The Automatic Power Factor Controller (APFC) and Automatic Voltage Stabilizers installed in the Company continue to work well and conserve energy.
- e) All tube lights and filament bulbs in the Company were replaced by energy conserving LEDs.
- f) Water consumption reduced by optimizing water flow for process machines. Reuse of water in process machines to reduce overall water consumption.
- g) All motors and machines are regularly serviced and lubricated to reduce operating load.
- h) Use of cross ventilation system in machine control rooms for panel's cooling.

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

The Company continues to use its existing solar plant of 100 KVA.

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 up-gradation 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 up gradation 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 ₹)
Foreign Exchange earned in terms of actual inflows.	NIL
Foreign Exchange outgo in terms of actual outflows.	NIL



# Annexure-D

## To The Directors' Report

### Report on Corporate Social Responsibility (CSR) Activities/Initiatives for the year ended 31<sup>st</sup> March, 2023

(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 [https://frontiersprings.co.in/downloads/FSL\\_Corporate%20Social%20Responsibility%20Policy-.pdf](https://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:

Sr. No.	Name of the Director	Designation/Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1.	Mr. Kundan Lal Bhatia (Chairman)	Chairman, Promoter Executive Director	2	2
2.	Mr. Yashpal	Member, Non-Executive Independent Director	2	2
3.	Mr. Sarabjit Singh	Non-Executive Independent Director	2	2
4.	Mr. Neeraj Bhatia	Promoter Executive Director	2	2

#### 3. Provide the web-link where Composition of CSR Committee & CSR Policy approved by the board are disclosed on the website of the Company:

Composition of CSR committee:	<a href="https://frontiersprings.co.in/downloads/committees-of-board-of-directors.pdf">https://frontiersprings.co.in/downloads/committees-of-board-of-directors.pdf</a>
CSR Policy:	<a href="https://www.frontiersprings.co.in/downloads/FSL_Corporate%20Social%20Responsibility%20Policy-.pdf">https://www.frontiersprings.co.in/downloads/FSL_Corporate%20Social%20Responsibility%20Policy-.pdf</a>

#### 4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report): Not Applicable

#### 5. Details of the amount available for set off in pursuance of sub-rule(3) of rule7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sr. No.	Financial Year	Amount available for set-off from preceding Financial years (in ₹)	Amount required to be set-off for the Financial Year, if any (in ₹)
		N/A	

#### 6. Average Net Profits of the Company as per Section 135(5): ₹ 1,300,27308/-

7. (a) Two percent of average net profit of the Company as per Section 135(5): ₹ 26,00,546/-  
 (b) Surplus arising out of the CSR projects or programs or activities of the previous financial years: NIL  
 (c) Amount required to be set off for the financial year, if any: NIL  
 (d) Total CSR obligation for the Financial year (7a+7b-7c): ₹ 26,00,546/-
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total amount transferred to Unspent CSR Account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of Transfer
27,42,269/-	NIL				

(b) Details of CSR amount spent against ongoing projects for the financial year:

1	2	3	4	5		6	7	8	9	10	11	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the project.		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Implementation-Direct (Yes/No)	Mode of Implementation-Through Implementing Agency	
				State	District						Name	CSR Registration Number

The Company does not have any ongoing project. However details of amount spent other than ongoing projects are mentioned below in point (c).

(c) Details of CSR amount spent against other than ongoing projects for the financial year:

1	2	3	4	5		6	7	8	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local Area (Yes/No)	Location of the project		Amount spent for the Project Year (in ₹)	Mode of Implementation-Direct (Yes/No)	Mode of Implementation-Through Implementing Agency	
				State	District			Name	CSR Registration Number
1.	Treatment of Cancer Patient	Healthcare (Medical expenses incurred on Primary Health)	Yes	U.P.	Kanpur	2,63,246/-	Directly by Company	NA	
2.	Education	Solar Module 25kw at Onkareshwar Saraswati Vidya Niketan Inter College, Kanpur)	Yes	U.P.	Kanpur	10,55,063/-	No	CSR00016383	
3.	Education	Repair & renovation of primary school vill. syondaa Block-Sarvankhera Kanpur Dehat-209304	Yes	U.P.	Kanpur Dehat	13,86,000/-	No Through PACSFED	CSR00013042	
4.	Environment	Donation to Green Eco Movement society	Yes	U.P.	Varanasi	37,960/-	Directly by Company	CSR00012246	

(d) Amount spent in Administrative Overheads: Not Applicable

(e) Amount spent on Impact Assessment, if applicable: Not Applicable

(f) Total amount spent for the Financial Year (8b+8c+8d+8e): ₹ 27,42,269/-

**(g) Excess amount for set off, if any:**

Sr. No.	Particular	Amount (In ₹)
1	Two percent of average net profit of the Company as per Section135(5)	26,00,546/-
2	Total amount spent for the financial year	27,42,269/-
3	Excess amount spent for the financial year[(ii)-(i)]	1,41,723/-
4	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
5	Amount available for set off in succeeding financial years [(iii)-(iv)]	NIL

**9. (a) Details of Unspent CSR amount for the preceding three financial years: NIL**

**(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):** Not Applicable, as the concept of 'ongoing projects' has been introduced in the CSR Amendment Rules. Details of amount spent on other than ongoing projects during fiscal 2021 are covered under 8(c) above.

**10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):** Not Applicable

(a) Date of creation or acquisition of the capital asset(s).

(b) Amount of CSR spent for creation or acquisition of capital asset.

(c) Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc.

(d) Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).

**11. Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per Section 135(5):** Not Applicable

**Place:** Kanpur  
**Date:** 9<sup>th</sup> August, 2023

**Kundan Lal Bhatia**  
Chairman cum Managing Director  
DIN: 00581799

## Annexure-E

### A. Disclosure in Director's Report pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended by Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016

- The Ratio of the Remuneration of each Director to the Median Remuneration of the Employees of the Company and the percentage increase in the Remuneration of each Director to the Median Remuneration of the Employees of the Company and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer and Company Secretary in the Financial year 2022-23:

Name of the Director's	Designation	Ratio of Median Remuneration	% increase in remuneration
Mr. Kundan Lal Bhatia	Chairman Cum Managing Director	17.42	0
Mr. Kapil Bhatia	Managing Director	120.49	2.92
Mr. Neeraj Bhatia	Whole-Time Director and CFO	116.69	(0.88)
Ms. Mamta Bhatia	Whole-Time Director	80.96	4.41
Ms. Manju Bhatia	Whole-Time Director	77.54	(1.32)
Mr. Yash Pal	Independent Director	0.51	0
Mr. Keshao Parnuji Somkuwar	Independent Director	0.51	0
Mr. Ramesh Kumar Bhatia	Independent Director	0.31	50.00
Mr. Nimesh Mukerji	Independent Director	0.41	0
Mr. Sarabjit Singh	Independent Director	0.51	0
Mr. Dhruv Bhasin	Company Secretary	NA	5.73

**Note:** Remuneration comprises salary, allowances, perquisite as per definition contained in Section 2(78) of the Companies Act, 2013.

Mr. Yash Pal, Mr. Keshao Parnuji Somkuwar, Mr. Ramesh Kumar Bhatia, Mr. Nimesh Mukerji and Mr. Sarabjit Singh have given only sitting fees.

\* Rounded off to two decimals.

- There is no increase in in the median remuneration of employees during the year. However the percentage decrease in the median remuneration of employees during the year is 2.51%.

**Note:** Median remuneration of Employees excluding Managerial personnel was ₹ 1,50,141 and ₹ 1,46,368 for the FY year 2021-22 and 2022-23 respectively.

- The number of permanent employees on the rolls of Company as on 31<sup>st</sup> March, 2023: 186
- There is no increase in the aggregate remuneration of employees excluding WTDs, MD or other Directors in the current Financial Year over the previous financial year 2021-22. The aggregate increase in remuneration for WTDs, MD or other directors was 0.55% in current Financial Year over the previous financial year 2021-22, on account of the following:
  - The remuneration of the Executive Chairman, Managing Director or WTDs are decided based on the individual performance, inflation, prevailing industry trends and benchmark and considering the contribution of WTDs and MD, and the progress made by the Company under the leadership and guidance.
  - The remuneration of Non-Executive Directors consists of sitting fees. While deciding the remuneration, various factors such as Director's participation in Board and Committee Meetings during the year, other responsibilities undertaken, such as Membership or Chairmanship of Committees, time spent in carrying out other duties, role and functions as envisaged in Schedule IV of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and such other factors as the Governance, Nomination and Remuneration Committee may deem fit etc. were taken into consideration.

**Note:** Managerial Personnel includes Managing Director and Whole-Time Directors.



**B. Information as per Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

- I. Employees drawing salary of ₹ 1,02,00,000 (One Crore Two Lacs) or above per annum and posted in India.

Sr. No	Employee Name	Designation/ Nature of Employment	Remuneration Received (Lacs)	Qualification	Experience (in years)	Date of employment	Age (in Years)	Last Employment held
1	Mr. Kapil Bhatia	Managing Director	171.36	M.B.A	37	03/01/1994	58 Years	Employed in Frontier Springs Limited
2	Mr Neeraj Bhatia	Whole-Time Director and CFO	170.80	B.Com	34	22/04/1991	56 Years	Employed in Frontier Springs Limited
3	Mrs. Mamta Bhatia	Whole-Time Director	118.50	B.A, M.B.A	13	14/05/2011	59 Years	Employed in Frontier Springs Limited
4	Mrs. Manju Bhatia	Whole-Time Director	113.50	B.A	10	14/11/2013	54 Years	Employed in Frontier Springs Limited

**Note:** None of the employees employed throughout the financial year or part thereof, were in receipt of remuneration in that year, which in the aggregate, or as the case may be at a rate which, in the aggregate, is in excess of that drawn by the Managing Director or Whole Time Director or Manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the Company.

None of the employees hold 2% or more of the paid-up equity share capital of the Company as per clause (iii) of sub-rule (2) of Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- II. None of the employee was employed for a part of the financial year, who was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than ₹ 8,50,000 (Indian Rupees Eight Lacs and fifty thousand rupees per month).
- III. None of the employees posted and working in a country outside India, not being directors or their relatives, drawing more than ₹ 60,00,000 (Rupees Sixty Lacs rupees Only) per financial year or ₹ 5,00,000 (Indian Rupees Five Lacs Only) rupees per month.

It is confirmed that the remuneration paid to the Directors, Key Managerial Personnel and Senior Management is as per the Remuneration Policy of the Company.

# Independent Auditor's Report

## To The Members of 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, 2023, Statement of Profit and Loss (including other comprehensive income), Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and notes to the financial statements, including 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 me, 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, 2023, and its profit and other comprehensive loss, changes in equity and its cash flows for the year ended on that date.

#### BASIS FOR OPINION

I have 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 ethical requirements that are relevant to my audit of the 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 obtained by me referred to in paragraph (a) of the "Others Matters" section below is sufficient and appropriate to provide a basis for my audit opinion on the 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 determined the matters described below to be the key audit matters to be communicated in my report.

#### 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 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 No. 21 and 22 of the Standalone Financial Statements

#### AUDITOR'S RESPONSE

##### Principal Audit Procedures

My audit procedures includes 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.

##### 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 31/03/2023 amounts to ₹ 14,86,987/- out of total trade receivables and out of which ₹ 4,36,987/- has been recovered up to 10/05/2023.

#### AUDITOR'S RESPONSE

##### Principal Audit Procedures

My audit procedures includes 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.

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

The company has recorded ₹ 2,33,51,747/- of tax expense and deferred tax liabilities amounting to ₹ 19,70,771/- for the year ended 31<sup>st</sup> March, 2023.

The company is subject to periodic tax challenges by tax authorities which may lead to protected 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 judgments 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.

### Gratuity Accounting.

Company has taken policy from Life Insurance Corporation regarding the gratuity for its Springs and Forging Div. units at Rania, and other Springs units at Paonta sahib in regards to this there is a trust Titled as 'Trustees Frontier Springs Ltd Employees Group', as informed to me, there are no pending payment on this account as on 31.03.2023.

## AUDITOR'S RESPONSE

### Principal Audit Procedures

My audit procedures includes 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 Management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the Company's Annual Report, 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. The annual report is to be made available to me after the date of the auditor's report.

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 identified above, when it becomes available 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 period under 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.

When I read the other information identified above, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance and take necessary actions, as applicable under the relevant laws and regulations.

## MANAGEMENT'S AND BOARD OF DIRECTORS' RESPONSIBILITY FOR THE STANDALONE FINANCIAL STATEMENTS

The Company's Management and Board of Directors are 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 including the Indian Accounting Standards (Ind AS ) specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with

the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal

financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the 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 and Board of Directors are 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 the Board of Directors 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 objective is 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 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 with reference to statements 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 and Board of Directors.

Conclude on the appropriateness of management's and Board of Directors use of the going concern basis of accounting in preparation of financial statements 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**

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 are to the best of my knowledge and belief, as 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 (includes other comprehensive income), 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, 2023 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2023 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 me, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director is in excess of the limit laid down under section 197 of the Act, and accordingly special resolutions and necessary approvals under SEBI (LODR) Regulations, 2015 has already been obtained.

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 me:

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 as certified by the management.

The management has represented that, to the best of its knowledge and belief, other than as disclosed in the notes to the accounts, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the company to or in any other persons or entities, including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall:

- Directly or indirectly lend or invests in other person or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the company or
- Provide any guarantees, security or the like to or on behalf of the Ultimate Beneficiaries.

The management has represented, that, to the best of its knowledge and belief, no funds have been received by the company from any persons or entities, including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the company shall:

- Directly or indirectly lend or invests in other person or entities identified in any manner whatsoever ("Ultimate Beneficiaries") by or on behalf of the Funding Party or
- Provide any guarantees, security or the like to or on behalf of the Ultimate Beneficiaries.

Based on such audit procedures as considered reasonable and appropriate in the circumstances, nothing has come to my notice that has caused me to believe that the representations under sub-clause (d) (i) and (d) (ii) contain any material misstatement.

The dividend declared or paid during the year by the company is in compliance with section 123 of the act.

As required by the Companies (Auditor's Report) Order, 2020 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, I have give in "Annexure B" a statement on the matters specified in paragraphs 3 and 4 of the Order.

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 Registration No.: 021960C

**(SANJEEVANI RAIZADA)**  
Proprietor  
Membership No.: 414542  
**UDIN:** 23414542BGXVD09465  
**Place:** Kanpur  
**Date:** 30<sup>th</sup> May, 2023

## ANNEXURE A TO THE INDEPENDENT AUDITOR'S 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, 2023 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 Company's Management and Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting with reference to financial statements 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 (herein referred to as "the Act").

#### AUDITOR'S RESPONSIBILITY

My responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to the financial statements of the Company based on my audit. I have 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 includes, 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 unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### INHERENT LIMITATIONS OF INTERNAL FINANCIAL CONTROLS OVER FINANCIAL REPORTING

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management's 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 me, 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, 2023, 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 Registration No.: 021960C

**(SANJEEVANI RAIZADA)**  
Proprietor  
Membership No.: 414542  
**UDIN:** 23414542BGXVD09465  
**Place:** Kanpur  
**Date:** 30<sup>th</sup> May, 2023

**ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT**

With reference to the Annexure A referred to in the Independent Auditor's Report to the members of Frontiers Springs Limited ('the Company') on the standalone financial statements for the year ended 31 March 2023, I report the following:

- (i) (a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of property, plant and equipment.
- (B) The Company has maintained proper records showing full particulars of intangible assets.
- (b) According to the information and explanation given to me and on the basis of my examination of the records of the Company, the Company has a regular programme of physical verification of its property, plant and equipment, by which all property, plant and equipment are verified in a phased manner over a period of three years. In accordance with this programme, certain property, plant and equipment were verified during the year. In my opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to me and on the basis of my examination of the records of the Company, the title deeds of all the immovable properties (other than immovable properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) disclosed in the financial statements are held in the name of the Company.
- (d) According to the information and explanations given to me and on the basis of my examination of the records of the Company, the Company has not revalued its property, plant and equipment (including right-of-use assets) or intangible assets or both during the year.
- (e) According to the information and explanations given to me and on the basis of my examinations of the records of the company, there are no proceedings initiated or pending against the company for holding any benami property under the Prohibitions of Benami Property Transactions Act, 1988 and rules made there under.
- (ii) (a) The inventory, except goods-in-transit, has been physically verified by the management during the year. For goods-in-transit subsequent evidence of receipts has been linked with inventory records. In my opinion, the frequency of such verification is reasonable, and procedures and coverage as followed by the management were appropriate. No discrepancies were noticed on verification between the physical stocks and the books records that were more than 10% in the aggregate of each class of inventory.
- (b) According to the information and explanations given to me and on the basis of my examination of the records of the company, the company has been sanctioned the working capital limits in excess of five crores rupees in aggregate from banks and financial institution on the basis of security of current assets at any point of time of the year. Accordingly, clause 3(ii)(b) of the order is applicable to the Company.

The Quarterly statements, Half yearly statements, other financial statements and financial documents submitted before the bank were based on unaudited books of accounts and are subject to final adjustments, the figures of stock is taken on landed cost on the basis of consolidation of all the units, as well as the creditors were considered who were the current liabilities on the company. Basically no major discrepancies have been found as explained and informed to me.

- (iii) According to the information and explanations given to me and on the basis of my examinations of the records of the company, the Company has not provided any security or granted any advances in the nature of loans, secured or unsecured, to companies, firms, limited liability partnership or any other parties during the year. The Company has made any investments, not provided guarantees and has not granted unsecured loans to companies and other parties, in respect of which the requisite information is nil. The company has not made any investments, given guarantees or granted any loans, secured or unsecured, to firms and limited liability partnership.

(a) Based on the audit procedures carried out by me and as per the information and explanation given to me, the Company has not provided loans or stood guarantees. Hence, nothing has to be stated in the below mentioned format:

Rupees in crores

Particulars	Guarantees	Loans
<b>Aggregate amount during the year</b>	-	-
Subsidiess*	-	-
Joint Ventures*	-	-
Associates *	-	-
Others	-	-

Rupees in crores

Particulars	Guarantees	Loans
<b>Balance outstanding as at balance sheet date</b>		
Subsidies*		
Joint Ventures*		
Associates*		
Others		

As per Companies Act, 2013("the Act")

- (b) According to the information and explanations provided to me and based on the audit procedures conducted by me, I am of the opinion that the investments made, no guarantees provided and no loan given during the year.
- (c) According to the information and explanation given to me and on the basis of the examination of the records of the Company, no loans given, thus no repayment of principal and payment of interest has been stipulated. Further, the Company has not given any advance in the nature of loan to any party during the year.
- (d) According to the information and explanations given to me and on the basis of my examination of the records of the Company, there is no overdue amount for more than ninety days in respect of loans given. Further, the Company has not given any advances in the nature of loans to any party during the year.
- (e) According to the information and explanations given to me and on the basis of my examination of the records of the Company, there is no loan or advance in the nature of loan granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to same parties.
- (f) According to the information and explanations given to me and on the basis of my examination of the records of the Company, the Company has not granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment.
- (iv) In my opinion and according to the information and explanations given to me, the Company has complied with the provisions of Section 186 of the Act. Further, there are no loans given, investments made, guarantees given and security provided in respect of which provisions of Section 185 of the Act are applicable.
- (v) In my opinion, and according to the information and explanations given to me, the Company has complied with the provisions of Sections 73 to 76 or other relevant provisions of the Companies Act, 2013 and the rules framed thereunder where applicable and the directives issued by the Reserve Bank of India as applicable, with regard to deposits or amounts which are deemed to be deposits. As informed to me, there have been no proceedings before the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal in this matter and no order has been passed by any of the aforesaid authorities in this regard.
- (vi) According to the information and explanations given to me, the Central Government has prescribed the maintenance of cost records under Section 148(1) of the Act for the products manufactured by the Company and no cost audit report provided to me.
- (vii) (a) The Company does not have liability in respect of Service tax, Duty of excise, Sales tax and Value added tax during the year since effective 1 July 2017, these statutory dues have been subsumed into GST.
- According to the information and explanations given to me and on the basis of my examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Customs, Cess and other statutory dues have generally been regularly deposited during the year by the Company with the appropriate authorities.
- According to the information and explanations given to me, no undisputed amounts payable in respect of Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Customs, Cess and other statutory dues were in arrears as at 31 March 2023, for a period of more than six months from the date they became payable.
- According to the information and explanations given to me, there are no dues of Sales Tax, duty of Excise Value Added, of Goods and Services tax, Provident Fund, Employees' State Insurance, Income-tax, duty of Customs, Cess and other statutory dues, which have not been deposited by the Company on account of disputes.
- (viii) According to the Information and Explanations given to me and on the basis of the examination of the records of the Company, the Company has not surrendered or disclosed any transactions, previously unrecorded as income in the books of Accounts, in the tax assessments under The Income Tax Act, 1961 as income during the year.



- (ix) (a) According to the Information and Explanations given to me, on the basis of the examination of the records of the Company, The Company has not defaulted in repayment of Loans and other Borrowings or in the Repayment of Interest thereon to any lender.
- (b) According to the Information and Explanations given to me and on the basis of the examination of the records of the Company, The Company has not been declared a wilful Defaulter by any Bank or Financial Institution or Government or any Government Authority.
- (c) According to the Information and Explanations given to me, and on the basis of the examination of the records of the Company, The Company has used the funds for the object for which the object for which they were obtained.
- (d) According to the Information and Explanations given to me and on the basis of the examination of the records of the Company, The Company has not raised Funds on Short Term Basis which was utilized funds for Long term purposes by the Company.
- (e) According to the Information and Explanations given to me and on an Overall Examination of the Financial Statements of the Company, I report that the Company does not have any subsidiaries or Associates or Joint Venture.
- (f) According to the Information and Explanations given to me, the Procedures performed by me, I report that the Company has not raised Loans during the year on Pledge of Securities as the Company does not have any subsidiaries or Associates or Joint Venture.
- (x) (a) The company did not raise any money by way of public offer or further public offer (including debt instruments) during the year. Accordingly, paragraph 3(x)(a) of the order is not applicable to the company.
- (b) According to the Information and Explanations given to me and on the basis of the examination of the records of the Company, The Company has not made any Preferential allotment or Private Placement of shares or convertible debentures (fully, partially ) during the year. Accordingly, paragraph 3(x)(b) of the order is not applicable to the Company.
- (xi) (a) Based on the examination of the books and records of the company and according to the information and explanations given to me, considering the principles of materiality as outlined in the Standards on Auditing, I report that no fraud by the Company or on the Company has been noticed or reported during the course of the audit.
- (b) According to the Information and Explanations given to me, no report under section (12) of the Section 143 of the Companies Act, 2013 has been filed by the auditors in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with Central Government.
- (c) As informed to me, there is no whistle blower complaints received by the company during the year.
- (xii) According to the Information and Explanations given to me, in my opinion the company is not a Nidhi Company as prescribed under section 406 of the Act. Accordingly, paragraph 3(xii)(a) (b)(c) of the order are not applicable to the company.
- (xiii) According to the Information and Explanations given to me and on the basis of the examination of the records of the Company, the transactions with related parties are in compliance with section 177 and 188 of the act, where applicable, and details of related party transaction have been disclosed in the standalone financial statements as required by the applicable Accounting Standards.
- (xiv) (a) Based on the information and explanations provided to me and my audit procedures, in my opinion, the company has an Internal Audit system commensurate with the size and nature of its business.
- (b) I have considered the Internal Audit reports of the company issued till date for the period under audit.
- (xv) According to the Information and Explanations given to me and on the basis of the examination of the records of the Company, The Company has not entered into non-cash transactions with its Directors or persons connected to its directors and hence, provisions of section 192 of the Companies Act, 2013 are not applicable to the Company.
- (xvi) (a) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) (a) of the Order is not applicable.
- (b) The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) (b) of the Order is not applicable.
- (c) The company is not a Core Investment Company (CIC) as defined in the regulations made by The Reserve Bank of India. Accordingly, paragraph 3(xvi)(c) of the Order is not applicable.
- (d) According to the Information and Explanations given to me, during the course of audit, the Group doesn't have any registered or unregistered investment company.
- (xvii) The Company has not incurred any cash losses in the current and in the immediately preceding financial year. Accordingly, paragraph 3(xvii) of the Order is not applicable to the Company.
- (xviii) There has been no resignation of the Statutory Auditors during the year. Accordingly, paragraph 3(xviii) of the Order is not applicable to the Company.
- (xix) According to the Information and Explanations given to me and on the basis of financial Ratios, ageing and expected dates of realization of financial assets and the payment of

financial liabilities, other information accompanying the financial statements, my knowledge of the Board of Directors and Management plans and based on my examinations of evidence supporting the assumptions, nothing has come to my attention, which causes me to believe that any material uncertainty exists as on the date of the audit report that the Company is not capable of meeting its Liabilities existing at the date of Balance Sheet as and when they fall due within a period of one year from the Balance Sheet. I however, state that this not an assurance as to the future viability of the Company. I further state that my reporting is based on the facts upto the date of the audit report and I neither give any guarantee nor any assurance that all the liabilities falling due within a period of one year from the Balance Sheet, will get discharged the company as and when they fall due.

- (xx) In my opinion and according to the information and explanations given to me, there is no unspent amount of CSR at the end of the year as per sub section (5) of section 135 of The Companies Act, 2013. Company do not have any specific project. The provision has been made after considering 2% profit of the determined profits for the financial years 2019-20, 2020-21 and 2021-22, little extra provision has been made as per section 135(5).
- (xxi) There have been no such qualifications or adverse remarks by the respective auditor in the Companies (Auditor's Report) Order (CARO) reports of the companies included in the consolidated financial statements.

For **SANJEEVANI RAIZADA & CO.**  
Chartered Accountants  
Firm's Registration No.: 021960C

**(SANJEEVANI RAIZADA)**  
Proprietor  
Membership No.: 414542  
**UDIN:** 23414542BGXVD09465  
**Place:** Kanpur  
**Date:** 30<sup>th</sup> May, 2023

# Balance Sheet

As at 31<sup>st</sup> March, 2023

(Amount in Lacs)

Particulars	Note	Figures as at 31 <sup>st</sup> March, 2023	Figures as at 31 <sup>st</sup> March, 2022
<b>I Assets</b>			
<b>1 Non-Current Assets</b>			
(a) Property, Plant And Equipment	1(a)	4193.51	3643.30
(b) Capital Work-in-Progress	1(b)	79.63	99.88
(c) Investment Properties		0.00	0.00
(d) Goodwill		0.00	0.00
(e) Other Intangible Assets	1 (c)	8.27	8.14
(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	1548.28	1332.51
(ii) Trade Receivables		0.00	0.00
(iii) Loans & Advances	3	31.53	31.53
(iv) Other Financial Assets		0.00	0.00
(i) Deferred Tax Assets (Net)		0.00	0.00
(j) Other Non-Current Assets	4	76.39	105.38
<b>2 Current Assets</b>			
(a) Inventories	5	3027.90	2061.32
(b) Financial Assets			
(i) Investments	6	0.00	0.00
(ii) Trade Receivables	7	1622.00	1687.72
(iii) Cash And Cash Equivalents	8	200.31	187.95
(iv) Bank Balances Other Than Cash And Cash Equivalents		0.00	0.00
(v) Loans & Advances	9	185.78	63.78
(vi) Other Financial Assets		0.00	0.00
(c) Current Tax Assets (Net)		0.00	0.00
(d) Other Current Assets	10	18.23	17.71
<b>Total Assets</b>		<b>10991.83</b>	<b>9239.21</b>
<b>II Equity &amp; Liabilities</b>			
<b>1 Equity</b>			
(a) Equity Share Capital	11	396.32	396.32
(b) Other Equity	12	7072.02	6347.10
<b>2 Liabilities</b>			
<b>Non-Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	13	124.76	122.61
(ii) Trade Payables		0.00	0.00
(ii) Other Financial Liabilities		0.00	0.00
(b) Provisions	14	33.05	27.17
(c) Deferred Tax Liabilities (Net)	15	249.67	229.96
(d) Other Non-Current Liabilities	16	13.53	8.86
<b>3 Current Liabilities</b>			
(a) Financial Liabilities			
(i) Borrowings	17	337.19	214.08
(ii) Trade Payables	18	2428.89	1436.30
(iii) Other Financial Liabilities		0.00	0.00
(b) Other Current Liabilities	19	83.70	184.20
(c) Provisions	20	252.72	272.62
(d) Current Tax Liabilities (Net)		0.00	0.00
<b>Total Equity &amp; Liabilities</b>		<b>10991.83</b>	<b>9239.21</b>
Significant Accounting Policies and Notes on Financial Statements	A to W & 1 to 35		

As per our report of even date

For **SANJEEVANI RAIZADA & CO.**  
Chartered Accountants  
Firm's Registration No.: 021960C

**(SANJEEVANI RAIZADA)**  
Proprietor  
Membership No.: 414542  
UDIN: 23414542BGXVD09465  
Place: Kanpur  
Date: 30<sup>th</sup> May, 2023

**(K. L. BHATIA)**  
Chairman & Managing Director

**(KAPIL BHATIA)**  
Managing Director

**(NEERAJ BHATIA)**  
CFO

**(DHRUV BHASIN)**  
Company Secretary

**(SANJAY NIGAM)**  
Manager Accounts

# Profit and Loss Statement

For the year ended 31<sup>st</sup> March, 2023

(Amount in Lacs)

Particulars	Note	Figures as at 31 <sup>st</sup> March, 2023	Figures as at 31 <sup>st</sup> March, 2022
<b>INCOME</b>			
I Revenue From Operations	21	10735.56	8365.53
Other Income	22	63.58	97.56
<b>Total Income</b>		<b>10799.13</b>	<b>8463.08</b>
<b>II Expenses</b>			
Cost of Material Consumed	23	5604.63	3822.10
Changes in Inventories of Finished Goods And Work-in-Progress	24	(375.81)	(326.35)
Employee Benefit Expenses	25	384.50	349.48
Finance Cost	26	33.43	28.12
Depreciation and Amortisation Expenses	27	320.17	285.27
Other Expenses	28	3854.94	3296.90
<b>Total Expenses</b>		<b>9821.85</b>	<b>7455.52</b>
III <b>Profit/(Loss) Before Exceptional Items And Tax</b>		977.28	1007.56
IV <b>Exceptional Items</b>		0.00	0.00
V <b>Profit/(Loss) Before Tax</b>		<b>977.28</b>	<b>1007.56</b>
<b>VI Tax Expenses/(Credit)</b>			
(1) Current Tax		233.52	251.15
(2) Previous Year Tax		0.00	1.73
(3) Deferred Tax		19.71	3.24
VII <b>Profit (Loss) For The Year</b>		<b>724.05</b>	<b>751.45</b>
<b>VIII Other Comprehensive Income</b>			
<b>Items That Will Not Be Reclassified To Profit Or Loss</b>			
Re-Measurement Gain On Defined Benefit Obligation		53.78	102.12
Income Tax Relating to above		(13.53)	(25.70)
<b>Total Other Comprehensive Income (Net Of Tax)</b>		<b>40.25</b>	<b>76.42</b>
IX <b>Total Comprehensive Income For The Year (VII+VIII)</b>		<b>764.30</b>	<b>827.87</b>
<b>X Earning Per Share</b>			
Basic & Diluted (Face Value Of ₹ 10/- Per Equity Shares)	29	19.41	21.02
Significant Accounting Policies And Notes On Financial Statements	A to W & 1 to 35		

As per our report of even date

For **SANJEEVANI RAIZADA & CO.**  
Chartered Accountants  
Firm's Registration No.: 021960C

(K. L. BHATIA)  
Chairman & Managing Director

(KAPIL BHATIA)  
Managing Director

(SANJEEVANI RAIZADA)  
Proprietor  
Membership No.: 414542  
UDIN: 23414542BGXVD09465  
Place: Kanpur  
Date: 30<sup>th</sup> May, 2023

(NEERAJ BHATIA)  
CFO

(DHRUV BHASIN)  
Company Secretary

(SANJAY NIGAM)  
Manager Accounts

# Cash Flow Statement

For the year Period ended 31<sup>st</sup> March, 2023

(Amount in Lacs)

Particulars	Figures as at 31 <sup>st</sup> March, 2023	Figures as at 31 <sup>st</sup> March, 2022
<b>A) Cash Flow From Operating Activities:</b>		
<b>Net Profit Before Tax As Per Statement Of Profit And Loss</b>	<b>977.28</b>	<b>1007.56</b>
Item Adjustment For:		
Depreciation & Amortisation Expenses	320.17	285.27
Finance Cost	33.43	28.12
Rental Income	(44.37)	(39.92)
Interest Income	(10.87)	(14.47)
Input Credit Of Central Excise & Refund of GST	0.00	(27.89)
Dividend Received	(6.48)	(4.92)
Capital Gain Earned	(1.85)	(10.35)
Other Comprehensive Income/Loss Net of Tax	40.25	76.42
Loss on Sale of Car Taken as Extra Ordinary Item	0.20	2.56
Corporate Social Responsibility Expenses	26.41	26.01
<b>Operating Profit Before Working Capital Changes</b>	<b>1334.15</b>	<b>1328.38</b>
Adjustment For:		
Inventories	(966.58)	(337.42)
Sundry Debtors	65.72	64.74
Loan & Advances	(93.54)	98.74
Sundry Creditors	992.59	21.68
Sundry Provisions	(109.86)	120.26
<b>Cash Generated From Operations</b>	<b>1222.49</b>	<b>1296.38</b>
Extra Ordinary Items	(0.20)	(2.56)
Corporate Social Responsibility Expenses	(26.41)	(26.01)
Tax Paid	(233.52)	(252.87)
<b>Net Cash (Used In) From Operating Activities (A)</b>	<b>962.36</b>	<b>1014.94</b>
<b>(B) Cash Flow From Investing Activities:</b>		
Purchase of Property, Plant and Equipments	(852.95)	(615.76)
Sale of Property, Plant and Equipments	2.69	12.00
Investment	(215.77)	(515.59)
Rent Received	44.37	39.92
Interest Received	10.87	14.47
Input Credit of Central Excise Duty on Stock	0.00	27.89
Dividend Received	6.48	4.92
Capital Gain Earned	1.85	10.35
<b>Net Cash (Used In)/From Investing Activities (B)</b>	<b>(1002.45)</b>	<b>(1021.79)</b>
<b>C) Cash Flow From Financing Activities</b>		
Proceeds From Share Capital	0.00	0.00
Proceeds/(Repayment) From Long Term Borrowings	2.15	(33.38)
Proceeds/(Repayment) of Short Term Borrowing	123.11	0.08
Dividend Paid	(39.39)	(39.39)
Interest Paid (Bank & Other Loan)	(33.43)	(28.12)
<b>Net Cash(Used In)/From Financing Activities (C)</b>	<b>52.44</b>	<b>(100.80)</b>
<b>Net (Decrease)/Increase In Cash And</b>		
<b>Cash Equivalents (A+B+C)</b>	<b>12.36</b>	<b>(107.65)</b>
Cash and Cash Equivalents-Opening	187.95	295.61
Cash and Cash Equivalents-Closing	200.31	187.95

As per our report of even date

For **SANJEEVANI RAIZADA & CO.**  
Chartered Accountants  
Firm's Registration No.: 021960C

**(SANJEEVANI RAIZADA)**  
Proprietor  
Membership No.: 414542  
UDIN: 23414542BGXVD09465  
Place: Kanpur  
Date: 30<sup>th</sup> May, 2023

**(K. L. BHATIA)**  
Chairman & Managing Director

**(NEERAJ BHATIA)**  
CFO

**(DHRUV BHASIN)**  
Company Secretary

**(KAPIL BHATIA)**  
Managing Director

**(SANJAY NIGAM)**  
Manager Accounts



# Statement of Change in Equity

As on 31<sup>st</sup> March, 2023

## (A) EQUITY SHARE CAPITAL:

(Amount in Lacs)

Particulars	Figures as at 31 <sup>st</sup> March, 2023	Figures as at 31 <sup>st</sup> March, 2022
(Including Share Forfeiture)		
Balance At The Beginning Of The Reporting Year	396.32	396.32
Balance At The End Of The Reporting Period	396.32	396.32

## (B) OTHER EQUITY:

(Amount in Lacs)

Particulars	Security Premium Account	General Reserve	Surplus	Total
Balance As At 1 <sup>st</sup> April, 2021	220.28	200	5138.34	5558.62
Profit For The Year	-	-	751.44	751.44
Other Comprehensive Income	-	-	76.42	76.42
Dividend	-	-	39.39	39.39
Total Comprehensive Income For The Year	-	-	788.48	788.48
Balance As At 31 <sup>st</sup> March, 2022	220.28	200	5926.82	6347.10
Profit For The Year	-	-	724.05	724.05
Other Comprehensive Income	-	-	40.25	40.25
Total Comprehensive Income For The Period	-	-	764.30	764.30
Dividend	-	-	39.39	39.39
Balance As At 31 <sup>st</sup> March, 2023	220.28	200	6651.74	7072.02

Earning per Equity Share of ₹ 10 Each 19.41

As per our report of even date

For **SANJEEVANI RAIZADA & CO.**  
Chartered Accountants  
Firm's Registration No.: 021960C

**(K. L. BHATIA)**  
Chairman & Managing Director

**(KAPIL BHATIA)**  
Managing Director

**(SANJEEVANI RAIZADA)**  
Proprietor  
Membership No.: 414542  
UDIN: 23414542BGXVD09465  
Place: Kanpur  
Date: 30<sup>th</sup> May, 2023

**(NEERAJ BHATIA)**  
CFO

**(DHRUV BHASIN)**  
Company Secretary

**(SANJAY NIGAM)**  
Manager Accounts

(Amount in Lacs)

Other Comprehensive Income (OCI) As On 31 <sup>st</sup> March, 2023	Total Consolidated till 31 <sup>st</sup> March, 2023	For the year ending 31 <sup>st</sup> March, 2023	Total Consolidated till 31 <sup>st</sup> March, 2022
Items that will be Reclassified to Profit and Loss Account:			
(i) Fair Value Gain On Investment (Mutual Fund) Through OCI	167.28	59.98	107.30
Less: Income Tax Expenses on Net Fair Value Gain On Investment	(42.10)	(15.10)	(27.00)
<b>Net Increase/(Decrease) In Profit &amp; Loss</b>	<b>125.18</b>	<b>44.89</b>	<b>80.29</b>
(i) Fair Value Gain on Investment (Shares) Through OCI	58.86	(6.20)	65.06
Less: Income Tax Expenses on Net Fair Value Gain on Investment	(14.81)	1.57	(16.38)
<b>Net Increase/(Decrease) In Profit &amp; Loss</b>	<b>44.05</b>	<b>(4.64)</b>	<b>48.69</b>
<b>Total</b>			
(i) Fair Value Gain on Investment Through OCI	226.14	53.78	172.36
Less: Income Tax Expenses on Net Fair Value Gain on Investment	(56.91)	(13.53)	(43.38)
<b>Net Increase/(Decrease) In Profit &amp; Loss</b>	<b>169.23</b>	<b>40.25</b>	<b>128.98</b>

As per our report of even date

For **SANJEEVANI RAIZADA & CO.**  
Chartered Accountants  
Firm's Registration No.: 021960C

**(K. L. BHATIA)**  
Chairman & Managing Director

**(KAPIL BHATIA)**  
Managing Director

**(SANJEEVANI RAIZADA)**  
Proprietor  
Membership No.: 414542  
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**(NEERAJ BHATIA)**  
CFO

**(DHRUV BHASIN)**  
Company Secretary

**(SANJAY NIGAM)**  
Manager Accounts

# Significant Accounting Policies

## COMPANY OVERVIEW

**FRONTIER SPRINGS LIMITED** 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.H.B. Springs and Hot Coiled Compression Springs and Forging items for Wagon, Locomotives and Carriage and is regularly supplying to Railways, Bogie Manufactures, Chittaranjan Locomotive Works, Diesel Locomotive Works, Integral 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 40 years FRONTIER SPRINGS LIMITED is registered with Research Designs and Standards Organisation (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 include 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.1, Kanpur -208022.

### 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 ₹ 1,43,11,857.34 (Pre.Yr. ₹ 1,13,23,501.96 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 employment, 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 opted for retirement from the Company is charged to the Profit and Loss account in the year of exercise of option.

**O. 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 ₹ 9.84 Lacs in favour of Indian Railways and H.P.S.E.B. and contingently liable towards Letter of Credit provided to the tune of ₹ 1183.27 Lacs in favour of M/s Sun Flag Iron & Steel Co. Ltd., M/s Deepa Sales & M/s Contitech India Pvt. Ltd. Margin money ₹ 155.19 Lacs deposit with S.B.I. against Letter of Credit & Bank Guarantee (Prev. Yr. Bank guarantee of ₹ 73.33 Lacs in favour of Indian Railways and H.P.S.E.B. and Letter of credit of ₹ 676.52 Lacs in favour of M/s Sun Flag Iron & Steel Co. Ltd., M/s Deepa Sales and Margin money ₹ 148.04 Lacs deposit with S.B.I.).

**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 at 31<sup>st</sup> March, 2023

## NOTE NO. 1: PROPERTY, PLANT AND EQUIPMENT

Name of Assets	Gross Block				Depreciation			Net Block		
	Cost as on 01.04.2022	Addition Dur. the Yr.	Trf./ Adjustment Dur. the Year	Acquisition Through Amalgamation/ Business Combination	Changes Due To Revaluation	Up To 31 <sup>st</sup> March, 2022	For the Period	Trf./ Adjustment For The Period	Total as on 31 <sup>st</sup> March, 2023	As on 31 <sup>st</sup> March, 2022
Lease Hold Land(Panki)	1.66	0.00	0.00	0.00		0.00	0.00	0.00	0.00	1.66
Free Hold Land	354.54	0.00	0.00	0.00		0.00	0.00	0.00	0.00	354.54
Building	1309.12	225.43	0.00	0.00	1534.55	288.70	41.95		330.65	1203.90
Plant & Machinery	2712.34	415.24	0.00	0.00	3127.58	1243.11	152.67		1395.78	1731.80
Tools Moulds & Rolls (Iron)	430.48	86.32	0.00	0.00	516.80	164.79	27.55		192.33	324.46
Generator	100.97	0.00	0.00	0.00	100.97	47.76	6.61		54.37	46.60
Lab & Testing Equipments	152.73	0.40	0.00	0.00	153.13	102.28	8.10		110.38	42.75
Office Equipments	93.68	12.70	0.00	0.00	106.38	71.14	8.38		79.52	26.86
Electrical Equipments	197.45	88.43	0.00	0.00	285.88	112.72	15.84		128.56	157.32
Furniture & Fixture	103.68	3.32	0.00	0.00	107.00	61.72	7.12		68.84	38.16
Vehicles	393.70	27.50	6.05	0.00	415.15	175.29	44.07	3.36	215.99	199.16
Commercial Vehicles	13.24	0.00	0.00	0.00	13.24	3.80	1.57		5.37	7.87
Computer	49.91	11.66	0.00	0.00	61.57	41.17	2.97		44.14	17.43
Solar Power Plant	46.85	0.00	0.00	0.00	46.85	4.58	1.27		5.85	41.00
<b>Total</b>	<b>5960.35</b>	<b>871.00</b>	<b>6.05</b>	<b>0.00</b>	<b>6825.31</b>	<b>2317.06</b>	<b>318.10</b>	<b>3.36</b>	<b>2631.80</b>	<b>4193.51</b>
<b>Prev. Year</b>	<b>5495.34</b>	<b>508.56</b>	<b>43.55</b>	<b>0.00</b>	<b>5960.35</b>	<b>2063.34</b>	<b>285.27</b>	<b>31.55</b>	<b>2317.06</b>	<b>3643.30</b>
<b>Capital Work-In-Progress</b>										<b>79.88</b>
<b>Pre-Operative Expenses</b>										<b>8.27</b>

1.1 Capital Work-in-Progress of ₹ 79.88 On Plant & Machinery work-in-progress for ₹ 25.78 and work-shed on account of Building work-in-progress for ₹ 53.85 (Previous year Capital Work-in-Progress of ₹ 99.88 on Plant & Machinery work-in-progress for ₹ 92.77 and work-shed on account of Building work-in-progress for ₹ 7.11) Pre-operative expenses ₹ 8.27 out of total Pre-operative Expenses of ₹ 10.34 under the head of other intangible assets till 31<sup>st</sup> October, 2022 and now amortised for a period of 5 years. (Previous Pre-operative Expenses of ₹ 8.14 under the head of other intangible assets).

Particulars	31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
Pre-operative Expenses	10.34	8.14
Amortised for the year	2.07	0.00
<b>Total</b>	<b>8.27</b>	<b>8.14</b>

AS PER OUR REPORT OF EVEN DATE  
For SANJEEVANI RAIZADA & CO.  
CHARTERED ACCOUNTANTS  
FIRM'S REGISTRATION NO.: 021960C

(SANJEEVANI RAIZADA)  
PROPRIETOR  
MEMBERSHIP NO.: 414542  
UDIN: 23414542BGXD09465  
PLACE: KANPUR  
Date: 30<sup>th</sup> May, 2023

(K.L BHATIA)  
CHAIRMAN & MANAGING DIRECTOR  
DIN NO. 00581799

(KAPIL BHATIA)  
MANAGING DIRECTOR  
DIN NO. 00582337

(NEERAJ BHATIA)  
CFO  
DIN NO. 00582395

(DHRUV BHASIN)  
COMPANY SECRETARY

(SANJAY NIGAM)  
MANAGER ACCOUNTS

**Note No. 1(a): Property, Plant & Equipment**

(Amount in Lacs)

Particulars	Figures as at the end of 31 <sup>st</sup> March, 2023	Figures as at the end of 31 <sup>st</sup> March, 2022
(a) Land (Lease Hold)	1.66	1.66
(a) Land (Free Hold)	354.54	354.54
(b) Buildings	1203.90	1020.43
(c) Plant and Equipment	2329.79	1945.84
(d) Furniture and Fixtures	38.16	41.97
(e) Vehicles	199.16	218.42
(f) Commercial Vehicles	7.87	9.44
(g) Computer	17.43	8.74
(h) Solar Plant	41.00	42.27
<b>Total</b>	<b>4193.51</b>	<b>3643.30</b>

**Note No. 1(b): Capital Work-in-Progress**

(Amount in Lacs)

Particulars	Figures as at the end of 31 <sup>st</sup> March, 2023	Figures as at the end of 31 <sup>st</sup> March, 2022
(a) Building Work-in-Progress	53.85	7.11
(b) Plant & Machinery Work-in progress	25.78	92.77
<b>Total</b>	<b>79.63</b>	<b>99.88</b>

**Note No. 1(c): Other Intangible assets**

(Amount in Lacs)

Particulars	Figures as at the end of 31 <sup>st</sup> March, 2023	Figures as at the end of 31 <sup>st</sup> March, 2022
(a) Pre-Operative Expenses	8.27	8.14
<b>Total</b>	<b>8.27</b>	<b>8.14</b>

**NOTE NO. 2: NON-CURRENT INVESTMENTS**

(Amount in Lacs)

Particulars	Figures as at the end of 31 <sup>st</sup> March, 2023	Figures as at the end of 31 <sup>st</sup> March, 2022
(a) Investments in Mutual Funds	1129.29	998.05
(b) Investments in Equity Instruments	249.77	205.48
(c) Accrued Income (OCI) on Mutual Funds	125.18	80.29
(d) Accrued Income (OCI) on Equity Shares	44.05	48.69
<b>Total</b>	<b>1548.28</b>	<b>1332.51</b>

**NOTE NO. 3: LONG-TERM LOANS AND ADVANCES**

(Amount in Lacs)

Particulars	Figures as at the end of 31 <sup>st</sup> March, 2023			Figures as at the end of 31 <sup>st</sup> March, 2022		
	Secured, Considered Good	Unsecured Considered Good	Doubtful	Secured, Considered Good	Unsecured Considered Good	Doubtful
(a) Other loans and Capital advances (for Flat)	0	31.53	0	0	31.53	0
<b>Total</b>	<b>0</b>	<b>31.53</b>	<b>0</b>	<b>0</b>	<b>31.53</b>	<b>0</b>

**NOTE NO. 4: OTHER NON-CURRENT ASSETS**

(Amount in Lacs)

Particulars	Figures as at the end of 31 <sup>st</sup> March, 2023	Figures as at the end of 31 <sup>st</sup> March, 2022
(i) Long-term Trade Receivables (Refer point no.7)	0.17	17.11
(ia) Security Deposits	76.22	88.27
(ii) Others (specify nature)	0.00	0.00
<b>Total</b>	<b>76.39</b>	<b>105.38</b>

**NOTE NO. 5: INVENTORIES**

(Amount in Lacs)

Particulars	Figures as at the end of 31 <sup>st</sup> March, 2023	Figures as at the end of 31 <sup>st</sup> March, 2022
1. Raw Material	1189.68	641.59
2. Stock-in-Process	1474.41	1128.48
3. Finished Goods	73.74	68.68
4. Finished Goods (Roofing Items)	5.00	5.63
5. Scrap	64.38	38.93
6. Furnace oil	1.13	6.49
7. Diesel oil	7.65	7.92
8. Consumable Stores	121.11	123.68
9. Packing Material	9.65	6.74
10. Stock-in-Transit	81.15	33.18
<b>Total</b>	<b>3027.90</b>	<b>2061.32</b>

**NOTE NO. 6: CURRENT INVESTMENTS**

(Amount in Lacs)

Particulars	Figures as at the end of 31 <sup>st</sup> March, 2023	Figures as at the end of 31 <sup>st</sup> March, 2022
(a) Investments in Mutual Funds	0.00	0.00
(b) Investments in Equity Instruments	0.00	0.00
<b>Total</b>	<b>0.00</b>	<b>0.00</b>

**NOTE NO. 7: TRADE RECEIVABLES**

(Amount in Lacs)

Particulars	Figures as at the end of 31 <sup>st</sup> March, 2023	Figures as at the end of 31 <sup>st</sup> March, 2022
<b>(a) Trade Receivables outstanding for a period not exceeding</b>		
six months from the date they are due for payment		
Secured, considered good		
Unsecured, considered good	1621.23	1652.88
Doubtful less allowances for bad and doubtful debts		0.00
<b>(b) Trade Receivables outstanding for a period exceeding</b>		
six months from the date they are due for payment		0.00
Secured, considered good		0.00
Unsecured, considered good	0.77	34.84
Doubtful less allowances for bad and doubtful debts		
<b>Total</b>	<b>1622.00</b>	<b>1687.72</b>

**Trade Receivables ageing schedule for trade receivables outstanding**

(Amount in Lacs)

Particulars	Outstanding for following periods from due date of payment					Total
	Less than 6 months	6 months - 1 year	1-2 Years	2-3 Years	More than 3 Years	
(i) Undisputed Trade Receivables - Considered good	1621.23	0.77	0.00	0.17	0.00	1622.16
(ii) Undisputed Trade Receivables - Considered doubtful						
(iii) Disputed Trade Receivables - Considered good						
(iv) Disputed Trade Receivables - Considered doubtful						

**NOTE NO. 8: CASH AND CASH EQUIVALENTS**

(Amount in Lacs)

Particulars	Figures as at the end of 31 <sup>st</sup> March, 2023	Figures as at the end of 31 <sup>st</sup> March, 2022
(a) Balances with S.B.I. A/c	0.03	1.13
(b) Cheques, drafts on hand	0.00	0.00
(c) Cash on hand	0.35	1.89
(d) Balances with S.B.I. Current A/c (Dividend)	13.53	8.87
(e) S.T.D.R. (S.B.I. Kanpur Margin money of L/C & B/G)	155.19	148.03
(f) S.T.D.R. (S.B.I. Paonta Margin money of L/C)	31.21	28.02
<b>Total</b>	<b>200.31</b>	<b>187.95</b>

**NOTE NO. 9: SHORT-TERM LOANS AND ADVANCES**

(Amount in Lacs)

Particulars	Figures as at the end of 31 <sup>st</sup> March, 2023	Figures as at the end of 31 <sup>st</sup> March, 2022
(a) Loans and advances for Capital Items		
(a) Secured, considered good;		
(b) Unsecured, considered good;	99.94	27.16
(c) Doubtful.	0.00	0.00
(b) Loans and advances to Trade Supplier		
(a) Secured, considered good;	0.00	0.00
(b) Unsecured, considered good;	58.81	6.73
(c) Doubtful.	0.00	0.00
(c) Advance to Staff against salary		
(a) Secured, considered good;	0.00	0.00
(b) Unsecured, considered good;	12.22	12.56
(c) Doubtful.	0.00	0.00
(d) Advance to for Expenses	0.20	0.00
(e) Prepaid Expenses	14.61	11.18
(f) Income Tax Refund (A.Yr. 2021-22)	0.00	6.15
<b>Total</b>	<b>185.78</b>	<b>63.78</b>

**NOTE NO. 10: OTHER CURRENT ASSETS (SPECIFY NATURE)**

(Amount in Lacs)

Particulars	Figures as at the end of 31 <sup>st</sup> March, 2023	Figures as at the end of 31 <sup>st</sup> March, 2022
Accrued Interest on STDR with S.B.I.	6.51	7.94
Electronic Cash Ledger Account	5.75	4.48
IGST Input	2.83	1.28
CGST Input	1.23	1.94
SGST Input	1.23	1.94
Trustees FSL Employees Group Gratuity A/c	0.68	0.11
<b>Total</b>	<b>18.23</b>	<b>17.71</b>

**NOTE NO. 11: SHARE CAPITAL****Part (a)**

(Amount in Lacs)

Particulars	Figures as at the end of 31 <sup>st</sup> March, 2023	Figures as at the end of 31 <sup>st</sup> March, 2022
<b>Authorized Share Capital</b>		
50,00,000 Equity Shares (Prev. Year 50,00,000) of ₹ 10/- Each	500.00	500.00
10,000 12% Preference Shares (Prev. Year 10,000) of ₹ 100/- Each	10.00	10.00
<b>Total</b>	<b>510.00</b>	<b>510.00</b>
<b>Issued Capital</b>		
39,87,911 Equity Shares (Prev. Year 39,87,911) of ₹ 10/- Each (Including 12,57,500 Shares issued as Bonus)	398.79	398.79
<b>Total</b>	<b>398.79</b>	<b>398.79</b>



**NOTE NO. 11: SHARE CAPITAL** (Contd.)**Part (a)**

(Amount in Lacs)

Particulars	Figures as at the end of 31 <sup>st</sup> March, 2023	Figures as at the end of 31 <sup>st</sup> March, 2022
<b>Subscribed and Paid Up Capital</b>		
39,38,511 Equity Shares (Prev. Year 39,38,511) of ₹ 10/- Each fully paid up (Including 12,57,500 Shares issued as Bonus)	393.85	393.85
49,400/forfeited equity shares ..... Preference Shares (Prev. Year.....) of ₹..... Each	2.47	2.47
<b>Total</b>	<b>396.32</b>	<b>396.32</b>

**Part (b)****Reconciliation of the Shares Outstanding at the beginning and at the end of the year**

(Amount in Lacs)

Equity Shares	Number	Amount
At the beginning of the year	3938511	393.85
Issued during the year	0	0.00
Outstanding at the end of the year	3938511	393.85
Preference Shares	Number	Amount
At the beginning of the year	0	0.00
Issued during the year	0	0.00
Outstanding at the end of the year	0	0.00

**Part (c)****Terms/Rights attached****i) Equity Shares**

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

The Company declares dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the Year Ended 31<sup>st</sup> March, 2023 the amount of per share dividend recognized as distributions to equity shareholders was ₹ 1/- (For 31<sup>st</sup> March, 2021 was ₹: NIL)

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive any of the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

**Details of Share helds by each shareholder holding more than 5% Shares in the Company:**

Particulars	31 <sup>st</sup> March, 2023 No. of shares	31 <sup>st</sup> March, 2022 No. of shares
Equity Shares of ₹ 10/- each	1796972	1796972
Preference Shares	0	0

**Details of Share helds by each shareholder holding more than 5% Shares in the Company:**

S.No.	Name of shareholder	No. of Shares	% of Holding	% Change during the year	% Change during the year
1.	Kapil Bhatia	613139	15.57%	No change	No change
2.	Neeraj Bhatia	557430	14.15%	No change	No change
3.	Kamla Bhatia	626403	15.90%	No change	No change
	<b>Total</b>	<b>1796972</b>	<b>45.62%</b>		
	<b>Total</b>	<b>1796972</b>	<b>42.30%</b>		

**Part (D)****Details of Share helds by promoter at the end of the year in the Company:**

S.No.	Name of Promoter	No. of Shares	% of Holding	% Change during the year	% Change during the year
				31 <sup>st</sup> March, 2023	31 <sup>st</sup> March, 2022
1.	Kundan Lal Bhatia	133500	3.39%	No change	No change
2.	Kundan Lal Bhatia HUF	0	0%	No change	No change
3.	Kapil Bhatia	613139	15.57%	No change	No change
4.	Neeraj Bhatia	557430	14.15%	No change	No change
5.	Kamla Bhatia	626403	15.90%	No change	No change
6.	Puran Chand Bhatia HUF	36675	0.93%	No change	No change
7.	Mamta Bhatia	38038	0.97%	No change	No change
8.	Manju Bhatia	20380	0.52%	No change	No change
9.	Chandan Bhatia	6500	0.17%	No change	No change
10.	Mannu Bhatia	6500	0.17%	No change	No change
11.	Shyama Bhatia	0	0%	No change	No change
12.	Bindu Bhatia	0	0%	No change	No change
13.	Priya Bhatia	0	0%	No change	No change
14.	Preeti Bhatia	0	0%	No change	No change
	<b>Total</b>	<b>2038565</b>	<b>51.76%</b>		

**NOTE NO. 12: RESERVES AND SURPLUS**

(Amount in Lacs)

Particulars	Figures as at the end of 31 <sup>st</sup> March, 2023	Figures as at the end of 31 <sup>st</sup> March, 2022
<b>(a) Capital Reserves</b>		
Opening Balance	0.00	0.00
Addition during the year	0.00	0.00
Transfer during the year	0.00	0.00
Closing Balance	0.00	0.00
<b>(b) Security Premium Account</b>		
On 22,27,500 Equity Shares of ₹ 10/- each per share (Including premium received @ ₹ 5/- on 49,400 Shares forfeited)		
Opening Balance	220.28	220.28
Addition during the year	0.00	0.00

**NOTE NO. 12: RESERVES AND SURPLUS** (Contd.)

(Amount in Lacs)

Particulars	Figures as at the end of 31 <sup>st</sup> March, 2023	Figures as at the end of 31 <sup>st</sup> March, 2022
Transfer during the year	0.00	0.00
Closing Balance	220.28	220.28
<b>(c) General Reserves</b>		
Opening Balance	200.00	200.00
Addition during the year	0.00	0.00
Transfer during the year	0.00	0.00
Closing Balance	200.00	200.00
<b>(d) Surplus</b>	0.00	0.00
Opening Balance	5926.82	5138.34
Addition during the year	764.30	827.87
Transfer during the year	0.00	0.00
Closing Balance	6691.13	5966.21
<b>Appropriations:</b>		
Proposed Dividend	39.39	39.39
Closing Balance	6651.74	5926.82
<b>Total</b>	<b>7072.02</b>	<b>6347.10</b>

**NOTE NO. 13: LONG-TERM BORROWINGS**

(Amount in Lacs)

Particulars	Figures as at the end of 31 <sup>st</sup> March, 2023	Figures as at the end of 31 <sup>st</sup> March, 2022
(a) State Bank of India (Term Loan (a) hypothecation of Immovable property or any interest there; Bookdebts; Floating charges; Movable property; Fixed Assets and Current assets)	104.37	94.38
(b) IndusInd Bank Ltd.	0.00	1.17
(c) Bank of Baroda (Term Loan (b to c) hypothecation of Vehicles; Movable property)	20.39	27.06
<b>Total</b>	<b>124.76</b>	<b>122.61</b>

**NOTE NO. 14: LONG-TERM PROVISIONS****Provision for Employee Benefits**

(Amount in Lacs)

Particulars	Figures as at the end of 31 <sup>st</sup> March, 2023	Figures as at the end of 31 <sup>st</sup> March, 2022
(a) Gratuity Payable	0.00	0.00
(b) Leave Encashment Payable	33.05	27.17
<b>Total</b>	<b>33.05</b>	<b>27.17</b>

**NOTE NO. 15: DEFFERED 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:

(Amount in Lacs)

S.No.	Particulars	As at 31 <sup>st</sup> March, 2023		As at 31 <sup>st</sup> March, 2022	
		Accumulated Deferred tax Assets	Accumulated Deferred tax Liability	Accumulated Deferred tax Assets	Accumulated Deferred tax Liability
1.	Unabsorbed depreciation and losses	-	-	-	-
2.	Amount Added back u/s 43B				
	Bonus Payable	4.48	-	4.30	-
	Leave encashment payable	3.27	-	5.47	-
3.	Difference between book and tax depreciation	-	257.42	-	239.46
	<b>Total</b>	<b>7.75</b>	<b>257.42</b>	<b>9.50</b>	<b>239.46</b>
	<b>Net Deferred Tax Liability</b>		<b>249.67</b>		<b>229.96</b>

The difference Deferred Tax Liability for the year ended 31<sup>st</sup> March, 2023 ₹ 19.71 has been debited to Profit & Loss Account.

**NOTE NO. 16: OTHER NON-CURRENT LIABILITIES**

(Amount in Lacs)

Particulars	Figures as at the end of 31 <sup>st</sup> March, 2023	Figures as at the end of 31 <sup>st</sup> March, 2022
(a) Un-Claimed Dividend (F.Y.2018-19)	4.19	4.19
(b) Un-Claimed Dividend (F.Y.2018-19)	4.67	4.67
(c) Un-Claimed Dividend (F.Y.2020-21)	4.67	0.00
<b>Total</b>	<b>13.53</b>	<b>8.86</b>

**Current Liabilities****NOTE NO. 17: CURRENT BORROWING**

(Amount in Lacs)

Particulars	Figures as at the end of 31 <sup>st</sup> March, 2023	Figures as at the end of 31 <sup>st</sup> March, 2022
<b>(i) Secured Working Capital Bank Loan</b>		
State Bank of India C/C Account (Term Loan (a) hypothecation of Immovable property or any interest there; Bookdebts; Floating charges; Movable property; Fixed Assets and Current assets)	258.40	112.33
State Bank of India Book-Debts Account (Term Loan (a) hypothecation of Immovable property or any interest there; Bookdebts; Floating charges; Movable property; Fixed Assets and Current assets)	0.00	0.00
<b>(ii) Secured Short Term Bank Loan</b>		
State Bank of India Term Loan (Term Loan (a) hypothecation of Immovable property or any interest there; Bookdebts; Floating charges; Movable property; Fixed Assets and Current assets)	58.78	50.33
(b) IndusInd Bank Ltd.	1.60	6.44
(c) Axis Bank Ltd.	0.00	2.26
(d) Bank of Baroda	18.41	12.94
(e) ICICI Bank Ltd.	0.00	7.96

**Current Liabilities****NOTE NO. 17: CURRENT BORROWING** (Contd.)

(Amount in Lacs)

Particulars	Figures as at the end of 31 <sup>st</sup> March, 2023	Figures as at the end of 31 <sup>st</sup> March, 2022
(f) Kotak Mahindra Bank Ltd.	0.00	1.91
(g) BMW India Financial Services Ltd.	0.00	11.32
(h) Kotak Mahindra Prime. Ltd. (Term Loan (b to i) hypothecation of Vehicles; Movable property)	0.00	3.41
(j) Siemens Financial Services Pvt. Ltd. (Term Loan (j) hypothecation of Plant & Machinery)	0.00	5.18
<b>Total</b>	<b>337.19</b>	<b>214.08</b>

**NOTE NO. 18: TRADE PAYABLES**

(Amount in Lacs)

Particulars	Figures as at 31 <sup>st</sup> March, 2023	Figures as at 31 <sup>st</sup> March, 2022
(i) Creditors for Raw Material & Stores	2275.92	1276.79
(ii) Creditors for Services	152.97	159.50
<b>Total</b>	<b>2428.89</b>	<b>1436.30</b>

**Trading payables aging schedule**

(Amount in Lacs)

Particulars	Outstanding for following periods from due date of payment				
	Less than 1 year	1-2 Year	2-3 Year	More than 3 Year	Total
(i) MSME	4.98	0.85	0.00	0.00	5.83
(ii) Others	2373.15	5.06	0.00	0.00	2378.21
(iii) Disputed Dues - MSME	0.00	0.00	0.00	0.00	0.00
(iv) Disputed Dues - Others	0.00	0.00	0.00	0.00	0.00
(v) Disputed Dues - Others	0.00	0.00	0.00	0.00	0.00
<b>Total</b>	<b>2378.13</b>	<b>5.91</b>	<b>0.00</b>	<b>0.00</b>	<b>2384.04</b>

**NOTE NO. 19: OTHER CURRENT LIABILITIES**

(Amount in Lacs)

Particulars	Figures as at 31 <sup>st</sup> March, 2023	Figures as at 31 <sup>st</sup> March, 2022
(a) Statutory Liabilities	83.70	169.18
(b) Advance From Customers	0.00	5.51
(c) Security Received against Rent	0.00	9.51
<b>Total</b>	<b>83.70</b>	<b>184.20</b>

**NOTE NO. 20: SHORT-TERM PROVISIONS**

(Amount in Lacs)

Particulars	Figures as at 31 <sup>st</sup> March, 2023	Figures as at 31 <sup>st</sup> March, 2022
<b>(A) Provision for Employee Benefits</b>		
(i) Gratuity Payable	0.00	0.00
(ii) Leave Encashment Payable	20.31	19.96
<b>(B) Other Provisions</b>		
(i) Provisions	168.05	187.28
(ii) Proposed Dividend Payable	39.39	39.39
(iii) CSR expenses payable	24.98	25.99
<b>Total</b>	<b>252.72</b>	<b>272.62</b>

**NOTE NO. 21: REVENUE FROM OPERATIONS**

(Amount in Lacs)

Particulars	Figures as at the end of 31 <sup>st</sup> March, 2023	Figures as at the end of 31 <sup>st</sup> March, 2022
(a) Sales of Products	10722.12	8361.71
(b) Sales of Services	1.35	3.08
(c) Other Operative Revenues	12.08	0.74
<b>Total</b>	<b>10735.56</b>	<b>8365.53</b>

**NOTE NO. 22: OTHER INCOME**

(Amount in Lacs)

Particulars	Figures as at the end of 31 <sup>st</sup> March, 2023	Figures as at the end of 31 <sup>st</sup> March, 2022
(a) Rental Income from work-shed	44.37	39.92
(b) Interest Income (in case of a Company other than a finance Company)	10.87	14.47
(c) Dividend Income	6.48	4.92
(d) Capital Gain/Loss on sale of Investments	1.85	10.35
(e) Profit on sale of Car	0.00	0.00
(f) GST Refund Received against Exemption of Excise duty	0.00	27.89
<b>Total</b>	<b>63.58</b>	<b>97.56</b>

**NOTE NO. 23: COST OF RAW MATERIAL CONSUMED**

(Amount in Lacs)

Particulars	Figures as at the end of 31 <sup>st</sup> March, 2023	Figures as at the end of 31 <sup>st</sup> March, 2022
<b>Raw Material Consumed</b>		
Inventory at the beginning of the year	641.59	685.54
Purchases	6152.72	3778.15
(Including freight, interest on L/C & Entry Tax)	0.00	0.00
Inventory at the end of the year	1189.68	641.59
<b>Total</b>	<b>5604.63</b>	<b>3822.10</b>



**NOTE NO. 24: CHANGE IN INVENTORIES**

(Amount in Lacs)

Particulars	Figures as at the end of 31 <sup>st</sup> March, 2023	Figures as at the end of 31 <sup>st</sup> March, 2022
<b>Finished Goods &amp; Scrap</b>		
Inventory at the beginning of the year	113.24	101.88
Inventory at the end of the year	143.12	113.24
Increase or Decrease in Inventory	(29.88)	(11.36)
<b>Work-in-Progress</b>		
Inventory at the beginning of the year	1128.48	813.47
Inventory at the end of the year	1474.41	1128.48
Increase or Decrease in Inventory	(345.93)	(315.01)
Total Inventory at the beginning of the Year	1241.72	915.35
Total Inventory at the end of the Year	1617.52	1241.72
<b>Total</b>	<b>(375.81)</b>	<b>(326.36)</b>

**NOTE NO. 25: EMPLOYEE BENEFIT EXPENSES**

(Amount in Lacs)

Particulars	Figures as at the end of 31 <sup>st</sup> March, 2023	Figures as at the end of 31 <sup>st</sup> March, 2022
(a) Salary and wages including bonus	330.80	300.28
(b) Contribution to provident fund and other funds	42.63	40.57
(c) Staff welfare expenses	11.07	8.63
<b>Total</b>	<b>384.50</b>	<b>349.48</b>

**NOTE NO. 26: FINANCE COSTS**

(Amount in Lacs)

Particulars	Figures as at the end of 31 <sup>st</sup> March, 2023	Figures as at the end of 31 <sup>st</sup> March, 2022
(a) Bank Interest expense	13.39	17.44
(b) Interest Paid to Bank against L/C Negotiation	15.41	4.84
(c) Interest on vehicle loan	4.63	5.84
<b>Total</b>	<b>33.43</b>	<b>28.12</b>

**NOTE NO. 27: DEPRECIATION AND AMORTISATION EXPENSES**

(Amount in Lacs)

Particulars	Figures as at the end of 31 <sup>st</sup> March, 2023	Figures as at the end of 31 <sup>st</sup> March, 2022
Depreciation	318.10	285.27
Amortisation of pre-operative expenses	2.07	0.00
<b>Total</b>	<b>320.17</b>	<b>285.27</b>

**NOTE NO. 28: OTHER EXPENSES**

(Amount in Lacs)

Particulars	Figures as at the end of 31 <sup>st</sup> March, 2023	Figures as at the end of 31 <sup>st</sup> March, 2022
<b>(i) Manufacturing Expenses</b>		
(a) Electric Power & fuel	752.06	595.04
(b) Consumption of Stores & Spares parts	363.96	236.12
(c) Rent	40.93	40.74
(d) Repairs of Building	22.21	16.69
(e) Repairs of Machinery	246.89	154.64
(f) Insurance	13.62	12.05
(g) Rates & taxes, excluding taxes on income	7.28	3.80
(h) Other Miscellaneous expenses	2407.99	2237.82
<b>Total</b>	<b>3854.94</b>	<b>3296.90</b>

**NOTE NO. 29: BASIC & DILUTED EARNING PER**

(Amount in Lacs)

Particulars	Figures as at the end of 31 <sup>st</sup> March, 2023	Figures as at the end of 31 <sup>st</sup> March, 2022
<b>Earning per share has been computed as under</b>		
(i) Earnings attributable to equity shareholders	764.30	827.87
(ii) Weighted Average of outstanding Equity Shares *	19.41	21.02
(iii) Basic Earning per share	3938511.00	3938511.00

**Note no. 29: (1) Additional Regulatory Information****(i) Title deeds of immovable property not held in the name of the Company**

There is no any Title deeds of immovable property not held in the name of the Company.

**(ii) There is no any revaluation of its Property, Plant and Equipments.**

**(iii)** There is no any Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties (as defined under Companies Act, 2013,) either severally or jointly with any other person, that are:

**(iv) Capital-Work-in Progress (CWIP)**

(a) For Capital-work-in progress, following ageing schedule shall be given:

CWIP aging schedule

(Amount in Lacs)

CWIP	Amount in CWIP for a period of				Total
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	53.85	25.78	0.00	0.00	79.63
Projects temporarily suspended	-	-	-	-	N/A

\*Total shall tally with CWIP amount in the balance sheet.

- (b) For capital-work-in progress, whose completion is overdue or has exceeded its cost compared to its original plan, following **CWIP completion schedule** shall be given\*\*:

(Amount in Lacs)

CWIP	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project 1	-	-	-	-
Project 2	-	-	-	-

\*\*Details of projects where activity has been suspended shall be given separately.

(v) **Intangible assets under development**

- (a) For Intangible assets under development, following ageing schedule shall be given:

**Intangible assets under development (Pre-operative expenses) ageing schedule**

(Amount in Lacs)

Intangible Assets under development	Amount in CWIP for a period of				Total*
	Less than 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	0.00	8.27	0.00	0.00	8.27
Projects temporarily suspended	-	-	-	-	0

\* Total shall tally with the amount of Intangible assets under development in the balance sheet.

- (b) For Intangible assets under development, whose completion is overdue or has exceeded its cost compared to its original plan, following Intangible assets under development completion schedule shall be given\*\*:

(Amount in Lacs)

Intangible Assets under development	To be completed in			
	Less than 1 year	1-2 years	2-3 years	More than 3 years
Project 1	-	-	-	-
Project 2	-	-	-	-

\*\*Details of projects where activity has been suspended shall be given separately.

(vi) **Details of Benami Property held**

There is no any Benami Property held in the name of the Company.

(vii) **Wilful Defaulter\***

The Company has never been declared as wilful defaulter by any Bank or financial Institution.

(viii) **Compliance with approved Scheme(s) of Arrangements**

No Scheme of Arrangements has been approved by the Competent Authority in terms of sections 230 to 237 of the Companies Act, 2013.

(ix) **Undisclosed income**

There is no undisclosed income which is not recorded.

(x) **Crypto Currency or Virtual Currency**

The Company has not dealt with Crypto Currency or Virtual Currency.

**(xi) Utilisation of Borrowed funds and share premium**

- (A) Where Company has advanced or loaned or invested funds (either borrowed funds or share premium or any other sources or kind of funds) to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding (whether recorded in writing or otherwise) that the Intermediary shall: **No**
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company (Ultimate Beneficiaries) or: **No**
  - (ii) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries; The Company shall disclose the following: **No**
    - (I) date and amount of fund advanced or loaned or invested in Intermediaries with complete details of each Intermediary.
    - (II) date and amount of fund further advanced or loaned or invested by such Intermediaries to other intermediaries or Ultimate Beneficiaries alongwith complete details of the ultimate beneficiaries.
    - (III) date and amount of guarantee, security or the like provided to or on behalf of the Ultimate Beneficiaries
    - (IV) declaration that relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with for such transactions and the transactions are not violative of the Prevention of Money-Laundering act, 2002 (15 of 2003).
- (B) Where a Company has received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall disclose the following: **No**
- (i) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or: **No**
  - (ii) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries, The Company shall disclose the following: **No**
    - (I) date and amount of fund received from Funding parties with complete details of each Funding party.
    - (II) date and amount of fund further advanced or loaned or invested other intermediaries or Ultimate Beneficiaries alongwith complete details of the other intermediaries' or ultimate beneficiaries.
    - (III) date and amount of guarantee, security or the like provided to or on behalf of the Ultimate Beneficiaries
    - (IV) declaration that relevant provisions of the Foreign Exchange Management Act, 1999 (42 of 1999) and Companies Act has been complied with for such transactions and the transactions are not violative of the Prevention of Money-Laundering act, 2002 (15 of 2003).

## (xii) Following Ratios to be disclosed

(Amount in Lacs.)

Sr. No.	Particulars	Formula	Current Period as on 31.03.2023		Previous Period as on 31.03.2022		Ratio as on 31.03.23	Ratio as on 31.03.22	Variation in %	Reason (If variation is more than 25%)
			Numerator	Denominator	Numerator	Denominator				
(i)	Current Ratio	Current Assets/Current Liabilities	5054.22	3102.49	4018.48	2107.20	1.63	1.91	-14.66%	N/A
(ii)	Debt-Equity Ratio	Debt/Total Equity	461.94	7468.34	336.69	6743.43	0.06	0.05	20.00%	N/A
(iii)	Debt Service Coverage Ratio	Net Operating Income/Debt Service	1010.51	153.61	1035.68	224.66	6.68	4.61	44.90%	The cost of debt is lower than the cost of equity, and therefore increasing the debt-to-equity ratio
(iv)	Return on Equity Ratio	Profit after tax less pref. Dividend x 100/Shareholder's Equity	724.06	7468.34	751.44	6743.43	9.70%	11.14%	-12.93%	N/A
(v)	Inventory Turnover Ratio	Cost of Goods Sold/Average Inventory	7487.25	2544.61	5289.95	1892.61	2.94	2.80	5.00%	N/A
(vi)	Trade Receivables Turnover Ratio	Net Credit Sales/Average Trade Receivables	10735.56	1654.86	8365.52	1720.09	6.49	4.86	33.54%	A high receivables turnover due to quickly collection of receivable and some sales are on a cash basis.
(vii)	Trade Payables Turnover Ratio	Net Credit Purchases/Average Trade Payables	8453.83	1932.59	5627.38	1425.46	4.37	3.95	10.63%	N/A
(viii)	Net Capital Turnover Ratio	Revenue / Average Working Capital	10735.56	1951.73	8365.52	1911.29	5.50	4.38	25.57%	Company is using a short-term assets and liabilities for supporting sales
(ix)	Net Profit Ratio	Net Profit/Net Sales	724.06	10735.56	751.44	8365.52	0.07	0.09	-22.22%	N/A
(x)	Return on Capital Employed	EBITA/Capital Employed	1010.51	7889.34	1035.68	7132.02	0.13	0.15	-13.33%	N/A
(xi)	Return on Investment	Return on Investment/Net Investment	8.33	1291.29	15.27	983.95	0.65%	1.55%	-58.06%	due to less maturity and less capital gain earned.

**(xiii) Registration of charges or satisfaction with Registrar of Companies**

Where any charges or satisfaction yet to be registered with Registrar of Companies beyond the statutory period, details and reasons thereof shall be disclosed.

**(ivx) Relationship with Struck off Companies**

Where the Company has any transactions with companies struck off under Section 248 of the Companies Act, 2013 or Section 560 of Companies Act, 1956, the Company shall disclose the details: **NIL**

**(xv) Compliance with number of layers of Companies**

Where the Company has not complied with the number of layers prescribed under clause (87) of Section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017, the name and CIN of the companies beyond the specified layers and the relationship/extent of holding of the Company in such downstream companies shall be disclosed. **N/A**

**(xvi)** Loans or Advances in the nature of loans are granted to promoters, directors, KMPs and the related parties either severally or jointly with any other person, that are repayable on demand or without specifying any terms or period of repayment. **No.**

**(xvii)** Where the Company has borrowings from banks or financial institutions on the basis of security of current assets, it shall disclose the following: **YES**

- (a) whether quarterly returns or statements of current assets filed by the Company with banks or financial institutions are in agreement with the books of accounts. **YES**
- (b) if not, summary of reconciliation and reasons of material discrepancies, if any to be adequately disclosed. **No**

**Note no. 29: (2) Payment to Statutory Auditors**

Particulars	(Amount in Lacs)	
	2022-23	2021-22
Statutory Audit fee	1.50	1.50
Tender Certification fee	0.35	0.35
Limited Review Report fee	0.10	0.15
Income Tax fee	NIL	NIL

**Note no. 29: (3) Expenditure in Foreign Currency**

Particulars	(Amount in Lacs)	
	2022-23	2021-22
Foreign Travelling Expenses	NIL	3.04

**NOTE NO. 29: (4) Amount of Capital Commitments**

Advance for Capital items of ₹ 99,93,707.00 for Plant & machinery and Building work-shop shed are shown in Note No. 9 under the head of Current Loans and Advances the total order value for plant & machinery is ₹ 3,02,03,712.00 and order value for building work is ₹ 7,50,000.00

**NOTE NO. 30: EARNING IN FOREIGN CURRENCY**

Particulars		
	2022-23	2021-22
Export Sales	-	-



**NOTE NO. 31: REMITTANCE IN FOREIGN CURRENCY ON ACCOUNT OF DIVIDEND**

The Company had paid dividend in respect of shares held by Non-Residents on repatriation basis. The exact amount of dividend remitted in foreign currency, amount remittable in this respect is given herein below:

Particulars	2022-23 (Final Dividend)	2021-22 (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 ₹)	--	-

**NOTE NO. 32: RELATED PARTY DISCLOSURES**

(Amount in Lacs)

Related party	Relationship	Nature of transaction	Value	Outstanding Payable
Mr. Kundan Lal Bhatia	Key Management Person	Remuneration, Perquisites, E. Leave & Incentive	25.50	Cr. 3.60
Mr. Kapil Bhatia	Key Management Person	Remuneration, Perquisites, E. Leave, Insurance, Contribution to NPS.,foreign travelling allowance & Incentive	176.36	Cr. 19.75
Mr. Neeraj Bhatia	Key Management Person	Remuneration, Perquisites, E. Leave, Insurance, Contribution to NPS, Foreign T/A & Incentive	170.80	Cr. 19.07
Mr. Neeraj Bhatia	Key Management Person	Key-man Insurance	1.23	NIL
Smt. Mamta Bhatia	Key Management Person	Remuneration, Perquisites, E. Leave, Insurance, Contribution to NPS.,foreign travelling allowance & Incentive	118.50	Cr. 13.26
Smt. Manju Bhatia	Key Management Person	Remuneration, E. Leave,Contribution to NPS & Incentive	113.50	Cr. 14.33
Shri Keshao P Somkuwar	Key Management Person	Independent Director's Sitting Fees	0.75	NIL
Shri Nimesh Mukerji	Key Management Person	Independent Director's Sitting Fees	0.60	NIL
Shri Ramesh Kumar Bhatia	Key Management Person	Independent Director's Sitting Fees	0.45	NIL
Shri Sarabjit Singh	Key Management Person	Independent Director's Sitting Fees	0.75	NIL
Shri Yashpal	Key Management Person	Independent Director's Sitting Fees	0.75	NIL
M/s Frontier Alloy Steels Ltd	Associate Concern	Sales	1432.58	Dr.272.88
M/s Frontier Engineering Corporation	Associate Concern	Purchase (Plant & Machinery)	0.45	NIL
M/s Frontier Engineering Corporation	Associate Concern	Purchase (Machinery Maintenance)	4.07	NIL

**NOTE NO. 32: RELATED PARTY DISCLOSURES** (Contd.)

(Amount in Lacs)

Related party	Relationship	Nature of transaction	Value	Outstanding Payable
M/s Vishpa Rail Equipments Pvt. Ltd.	Associate Concern	Rent Paid	42.48	NIL
M/s Vishpa Rail Equipments Pvt. Ltd.	Associate Concern	Rent Received	1.42	NIL
M/s Vishpa Rail Equipments Pvt. Ltd.	Associate Concern	Jobwork Paid	376.67	Cr. 0.23
M/s Vishpa Rail Equipments Pvt. Ltd.	Associate Concern	Purchase (Plant & Machinery)	29.50	NIL
M/s Vishpa Rail Equipments Pvt. Ltd.	Associate Concern	Purchase (Biscuit gift pack on Dipawali)	0.87	NIL
M/s Vishpa Rail Equipments Pvt. Ltd.	Associate Concern	Electricity charges Received	3.75	NIL
M/s NWFP Equipments Pvt. Ltd.	Associate Concern	Sales	108.22	Dr. 3.16
M/s NWFP Equipments Pvt. Ltd.	Associate Concern	Jobwork Received	1.59	NIL
M/s P.C. Packagers	Associate Concern	Purchase	192.23	NIL
M/s P.C. Packagers	Associate Concern	Rent Received	0.71	NIL

**NOTE NO. 33: PAYMENT MADE TO/PROVIDED FOR CHAIRMAN MANAGING DIRECTOR/WHOLE-TIME DIRECTORS**

(Amount in Lacs)

Particulars	2022-23	2021-22
<b>Remuneration:</b>		
Chairman & Managing Directors	18.00	18.00
Other Directors	300.00	300.00
<b>Incentives:</b>		
Chairman & Managing Directors	6.00	6.00
Other Directors	210.15	209.80
<b>Perquisites:</b>		
Chairman & Managing Directors	NIL	NIL
Other Directors	18.41	18.76
<b>Foreign Travelling Allowance:</b>		
Chairman & Managing Directors	NIL	NIL
Other Directors	10.00	3.04
<b>Earned Leave:</b>		
Chairman & Managing Directors	1.50	1.50
Other Directors	25.00	25.00
<b>Contribution to National Pension Scheme:</b>		
Chairman & Managing Directors	NIL	NIL
Other Directors	15.60	15.60
<b>Maintenance of National Pension Scheme account:</b>		
Chairman & Managing Directors	NIL	NIL
Other Directors	0.10	0.37
<b>Leave Travel Concession:</b>		
Chairman & Managing Directors	NIL	NIL
Other Directors	NIL	3.03

**NOTE NO. 33: PAYMENT MADE TO/PROVIDED FOR CHAIRMAN MANAGING DIRECTOR/WHOLE-TIME DIRECTORS** (Contd.)

(Amount in Lacs)

Particulars	2022-23	2021-22
<b>Keyman Insurance:</b>		
Chairman & Managing Directors	NIL	NIL
Other Directors	1.23	1.23

**NOTE NO. 34: OTHER ADDITIONAL INFORMATION PURSUANT TO PROVISIONS OF PARAGRAPH 3 & 4 OF PART II OF SCHEDULE VI OF THE COMPANIES ACT, 1956.**

Particulars	2022-23	2021-22
(i) Licensed Capacity (As certified by management)	Not available	Not available
(ii) Installed Capacity (As certified by management)	7400 MT. Per annum on single shift of eight hour (5000 Mt. Coil Spring & Leaf Springs, 1200 Mt. Forging items & 1200 Mt, Roofing Sheets)	7400 MT. Per annum on single shift of eight hour (5000 Mt. Coil Springs & Leaf Springs, 1200 Mt. Forging items & 1200 Mt, Roofing Sheets)
(iii) Production in nos.	601406	355529
(iv) Production in sq. meter	NIL	NIL

**NOTE NO. 35: 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 <sup>st</sup> March, 2023		31 <sup>st</sup> March, 2022	
		Qty.	Amount in Lacs	Qty.	Amount in Lacs
Coil Springs, Leave Springs & Forging items	Nos.	603294	10721.87	356878	8361.71
Roofing Sheets	Sq. Mt.	55	0.25	NIL	NIL
<b>Total</b>			<b>10722.12</b>		<b>8361.71</b>

**Notes:** The value of sales is stated:

- Net of GST.
- Inclusive items manufactured and sold only.
- Net of goods returned.

(ii) Quantity and value of Raw Material Consumed:

Class of goods	U/n	31 <sup>st</sup> March, 2023		31 <sup>st</sup> March, 2022	
		Qty.	Amount in Lacs	Qty.	Amount in Lacs
a) Indigenous Spring Steel Round, Billet, Bar & Components	MT.	6112.002	5605.93	4724.105	3822.10
b) Coil Sheet	MT.	NIL	NIL	NIL	NIL
c) Imported		NIL	NIL	NIL	NIL
<b>Total</b>			<b>5605.93</b>		<b>3822.10</b>

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

Particulars	2022-23	2021-22
Raw Material Imported	NIL	NIL
Raw Material Indigenous	100%	100%
Spare parts & sets Indigenous	100%	100%

(iv) Quantitative details of Finished Goods:

(Amount in Lacs)

Particulars	2022-23	2021-22
Opening Stock (in Nos.)	5313	6662
Opening Stock (in Sq.Meter)	1909	1909
Closing Stock (in Nos.)	3425	5313
Closing Stock (in Sq.Meter)	1854	1909
Turnover (in Nos.)	603294	356878
Turnover (in Sq.Meter)	55	NIL

**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 management.  
(iii) The quantities have been shown to the nearest units.

**NOTE NO. 36: PROVISION FOR CSR EXPENSES**

Provision for CSR made during the year ended 31<sup>st</sup> March, 2023 of ₹ 20.93.

As per our report of even date

For **SANJEEVANI RAIZADA & CO.**  
Chartered Accountants  
Firm's Registration No.: 021960C

**(K. L. BHATIA)**  
Chairman & Managing Director

**(KAPIL BHATIA)**  
Managing Director

**(SANJEEVANI RAIZADA)**  
Proprietor  
Membership No.: 414542  
**UDIN:** 23414542BGXVD09465  
**Place:** Kanpur  
**Date:** 30<sup>th</sup> May, 2023

**(NEERAJ BHATIA)**  
CFO

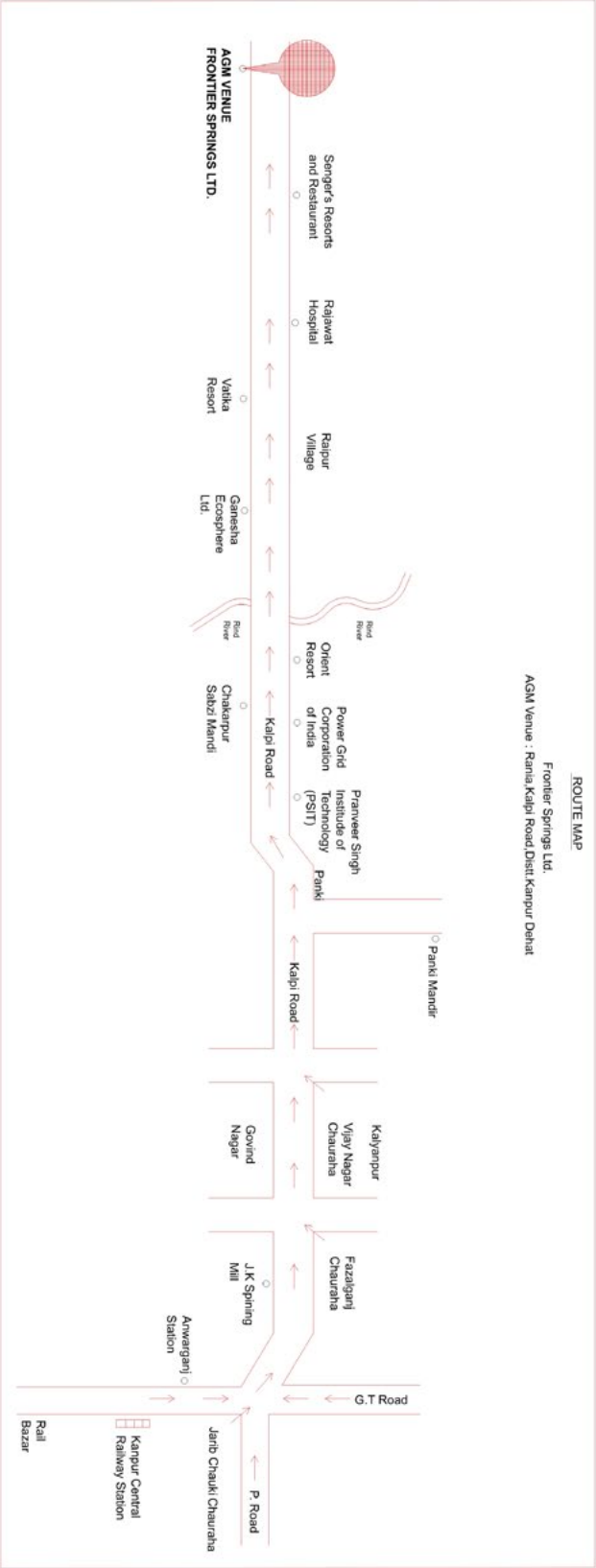
**(DHRUV BHASIN)**  
Company Secretary

**(SANJAY NIGAM)**  
Manager Accounts

# Route Map

Frontier Springs Ltd.

AGM Venue: Rania, Kalpi Road, Distt. Kanpur Dehat





CIN: L17119UP1981PLC005212  
Regd. Office: Km 25/4 Kalpi Road, Rania Kanpur Dehat, 209304  
Tel: +91 (05111) 240212-13; Fax: +91(05111) 240214;  
Email: c.s@frontiersprings.co.in; Web: www.frontiersprings.co.in

### ATTENDANCE FORM

Member(s) or his/her/their proxy (ies) is requested to present this form for admission, duly signed accordance with his/her/their specimen signature(s) registered with the Company.

Name: \_\_\_\_\_ Client ID \_\_\_\_\_ No. of Shares \_\_\_\_\_

Folio No. \_\_\_\_\_ DP ID No. \_\_\_\_\_

I hereby record my presence at the 43<sup>rd</sup> ANNUAL GENERAL MEETING of Frontier Springs Limited to be held on Saturday, 30<sup>th</sup> September, 2023, at 12:00 p.m at Km 25/4, Kalpi Road, Rania, Kanpur Dehat-209304 or any adjournment thereof.

Please  in the box.

Member

Proxy

\_\_\_\_\_

Name of the Proxy in Block Letters

\_\_\_\_\_

Member's Signature

\_\_\_\_\_

Proxy's Signature





CIN: L17119UP1981PLC005212  
Regd. Office: Km 25/4 Kalpi Road, Rania Kanpur Dehat, 209304  
Tel: +91 (05111) 240212-13; Fax: +91(05111) 240214;  
Email: c.s@frontiersprings.co.in; Web: www.frontiersprings.co.in

**PROXY FORM- MGT-11**

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

Name of the Member(s):.....
Registered Address: .....
E-mail Id: .....
Folio No./Client ID:..... DP ID:.....

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

1. Name: \_\_\_\_\_ Email Id: \_\_\_\_\_

Address: \_\_\_\_\_ Signature: \_\_\_\_\_

Or failing him/her

2. Name: \_\_\_\_\_ Email Id: \_\_\_\_\_

Address: \_\_\_\_\_ Signature: \_\_\_\_\_

Or failing him/her

3. Name: \_\_\_\_\_ Email Id: \_\_\_\_\_

Address: \_\_\_\_\_ Signature: \_\_\_\_\_

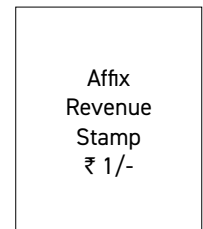
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the **43<sup>rd</sup> Annual General Meeting of the Company, to be held on the Saturday, the 30<sup>th</sup> September, 2023, at 12:00 p.m at Km 25/4 Kalpi Road, Rania, Kanpur Dehat-209304** and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Vote	
		For	Against
1.	Adoption of Audited Financial Statements for the year ended March 31, 2023.		
2.	Declaration of Dividend for Financial Year 2022-23		
3.	Re-appointment of Shri Neeraj Bhatia (DIN:00582395) as Director who retires by rotation		
4.	Re-appointment of Smt. Mamta Bhatia (DIN: 03480368) as a Whole-Time Director of the Company		
5.	Re-appointment of Smt. Manju Bhatia (DIN: 03480362) as a Whole-Time Director of the Company		
6.	Ratification of remuneration of the Cost Auditors in respect of Company's product 'Steel', for the financial year ending 31 <sup>st</sup> March, 2024.		

Signed this..... Day of ....., 2023

Signature of Shareholder(s)

Signature of Proxy Holder(s)



**Note: This form of proxy in order be effective should be duly completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting**



**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](mailto:sales@frontiersprings.co.in), [info@frontiersprings.co.in](mailto:info@frontiersprings.co.in)

Phone: 91-5111-240212, 240213

Fax: 91-5111-240214

Website: [www.frontiersprings.co.in](http://www.frontiersprings.co.in)