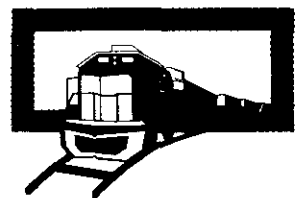
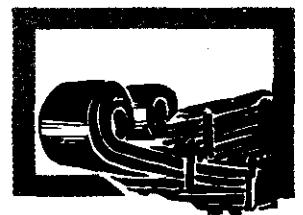
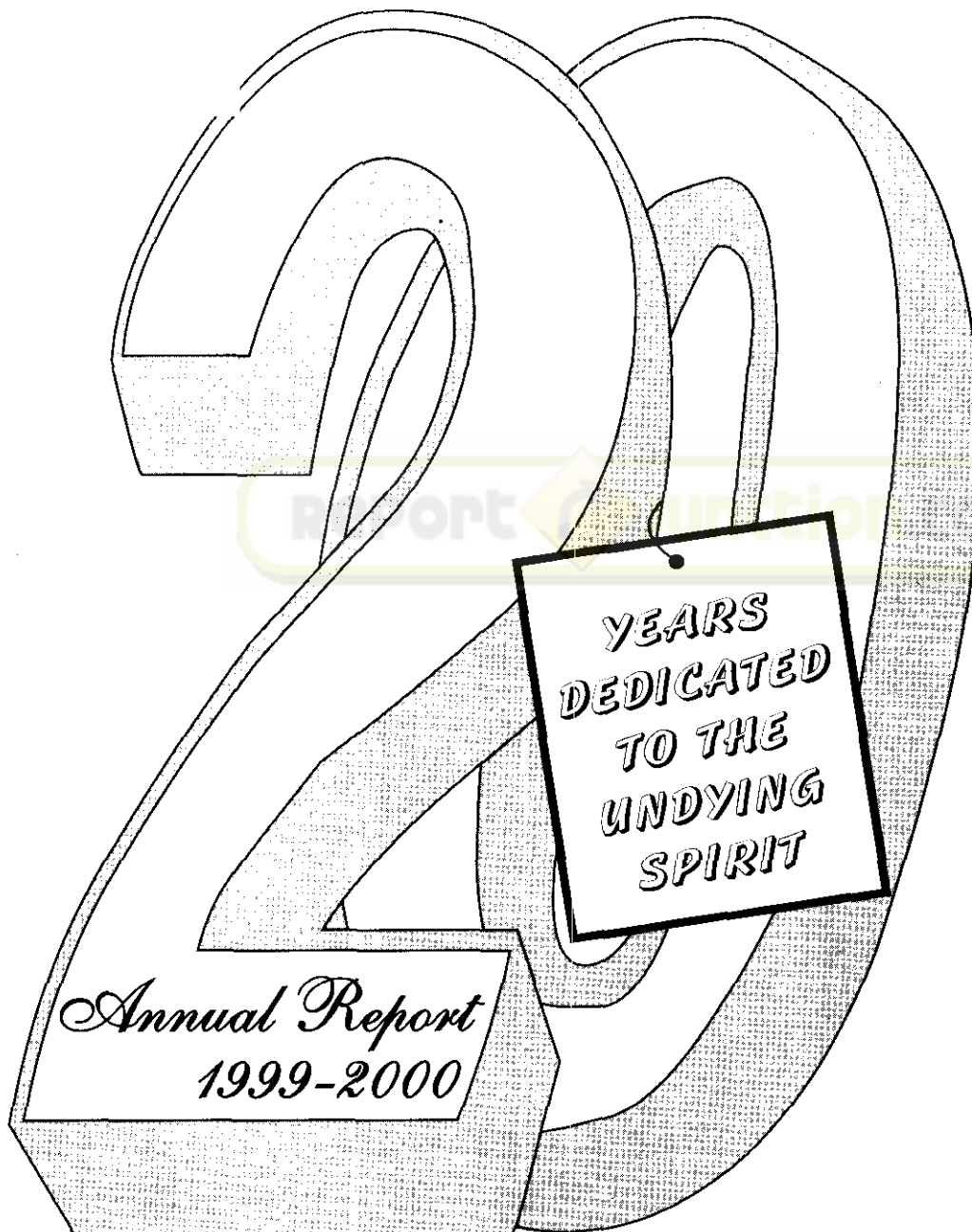


Frontier



**FRONTIER
SPRINGS LIMITED**

FRONTIER SPRINGS LIMITED

For Frontier Springs Limited

ANNUAL REPORT 1999-2000


Director

Attested True
Copy

BOARD OF DIRECTORS

Shri ANUP SINGH, *Chairman*
Shri KUNDAN LAL BHATIA, *Managing Director*
Shri KAPIL BHATIA
Smt. SUSHMA BHATIA
Shri NEERAJ BHATIA
Smt. SONIA BHATIA

AUDITORS

SANJAY NANDANI & CO.
Chartered Accountants
OFF No. 229, 2nd FLOOR,
63/2, CITY CENTRE,
THE MALL, KANPUR-208 004

BANKERS

STATE BANK OF INDIA

SHARES LISTED AT

KANPUR, MUMBAI, CALCUTTA, DELHI & AHMEDABAD STOCK EXCHANGES

REGISTERED OFFICE

E-14, PANKI INDUSTRIAL AREA, SITE-I, KANPUR - 208 022

TWENTIETH ANNUAL REPORT**NOTICE**

Notice is hereby given that the Twentieth Annual General Meeting of the Company will be held on Friday the 29th day of SEPTEMBER, 2000 at 1.30 p. m. at the registered office of the Company, at E-14, Panki Industrial Area, Site-I, Kanpur, to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Profit and Loss Account for the year ended 31.3.2000 and Balance Sheet of the Company as on that date together with the Auditors and Directors reports there-on.
2. To appoint a Director in place of Smt. Sushma Bhatia who retires by rotation and being eligible offers herself for re-appointment.
3. To appoint Auditors and to fix their remuneration and in connection therewith to pass, with or without modification the following resolution as an Ordinary Resolution :
 "RESOLVED that pursuant to the provisions of Section 224 of the Companies Act, 1956, Messrs Sanjay Nandani & Co., Chartered Accountants, the retiring Statutory Auditors, be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this meeting to the conclusion of the next Annual General Meeting of the Company on a remuneration of Rs. 40,000/- (Rs. Forty Thousand only)."

SPECIAL BUSINESS

To consider and, if thought fit, to pass with or without modifications, the following resolutions as Ordinary Resolutions :

4. "RESOLVED THAT
 - a) pursuant to the provisions of Sections 198, 269, 309, 311 and other applicable provisions, if any, of the Companies Act, 1956 read with Schedule XIII and subject to such approvals as may be necessary, approval of the members be and is hereby accorded to the appointment of Smt. Sonia Bhatia as the Whole Time Director of the Company with effect from 1st December, 1999 on the remuneration as set out in the Explanatory Statement annexed hereto for a period of five years.
 - b) The Board of Directors of the Company be and is hereby also authorised to :
 - i) Agree to such increase or decrease or for variations, modifications or amendments in the terms of remuneration set out in Explanatory Statement annexed hereto within the limits of Schedule XIII of the Act as considered reasonable by the Board and acceptable to Smt. Sonia Bhatia.
 - ii) Take all such steps and actions as may be considered necessary by the Board for the purpose of implementing this resolution."

"Further resolved that the remuneration as above including perquisites will be deemed to be the minimum remuneration in the event of absence or inadequacy of profit in any year."

Place : Kanpur
Date : 25.07.2000

By Order of the Board
K. L. BHATIA
Managing Director

Notes :

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his place and such proxy need not be a member of the Company.
2. A blank form of proxy is enclosed and if intended to be used should be duly stamped, completed, signed and deposited at the registered office of the Company not less than forty eight hours before the start of the meeting.

3. The Register of Members and Share Transfer Books will remain closed from Tuesday the 19th day of September, 2000 to Friday the 29th day of September, 2000 (both days inclusive) in terms of the provisions of Section 154 of the Companies Act, 1956.
4. Members are requested to notify change in address, if any, immediately to the Registered Office of the Company, E-14, Panki Industrial Area Site-I, Kanpur quoting their registered folio number(s).
5. Members are requested :
 - (a) to bring their copies of Annual Report & Attendance Slip at the time of the meeting.
 - (b) to quote their folio no. (s) in all correspondence.
 - (c) to forward their queries, if any, so as to reach the Registered Office of the Company on or before 15th September, 2000 enabling the management to collect and keep the information ready.

ANNEXURE TO NOTICE**EXPLANATORY STATEMENT PURSUANT TO SECTION 173 (2) OF THE COMPANIES ACT, 1956****Item No. 4**

The Shares of the Company are listed in five Stock exchanges of the country. One of the terms of listing agreement with the stock exchanges is the appointment of compliance officer who could deal directly with the Stock Exchanges, SEBI and Registrar of the Companies etc. on behalf of the Company. The compliance officer must be a Director/Company Secretary. Since at present Company has no Company Secretary, Smt. Sonia Bhatia, who is looking after the Secretarial work of the Company has been appointed as Whole Time Director as well as Compliance Officer for a period of five years commencing from 1st December, 1999 at the meeting of the Board of Directors held on 29th January, 2000 on the terms and conditions set out hereunder :

- a) *Salary* : Rs. 7,500/- per month in the grade of Rs. 12,000/-.
- b) *Perquisites* : In addition to salary the Whole-Time Director would be entitled to perquisites restricted to an amount equal to the annual salary. For the purpose, perquisites are classified into 2 categories i. e. Part A and B, as follows :

PART-A

- i) *Housing* : The expenditure incurred by the Company on Gas, Electricity, Water and Furnishings 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 or three months' salary in a block of three years.
- iii) *Leave Travel Concession* : For self and family once in a year to any place in India.
- iv) *Club Fees* : Fees of Clubs subject to a maximum of two Clubs. Life membership fees not being allowed.
- v) *Personal Accident Insurance* : Premium not to exceed Rs. 4,000/- per annum.

PART-B

- i) Contribution to (a) Provident Fund (b) Super Annuation Fund or Annuity Fund as per the Company's Rules. These will not be included in the computation of the ceiling on perquisites to the extent these 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 subject to a ceiling of Rs. 1,00,000/-.

Except Smt. Sonia Bhatia and Smt. Sushma Bhatia no other Director is concerned or interested in the proposed resolution.

Place : Kanpur
Date : 25.07.2000

By Order of the Board
K. L. BHATIA
Managing Director

TWENTIETH ANNUAL REPORT**DIRECTORS' REPORT**

To,

The Members,

The Board of Directors have pleasure in presenting their Twentieth Annual Report together with the audited accounts of the Company for the year ended on 31st March, 2000.

FINANCIAL RESULTS :

	1999-2000
Profit for the year before Depreciation	42,08,032.73
Depreciation for the year	21,16,056.41
Profit for the year	20,91,976.32
Income tax for earlier years	2,45,690.00
Net Profit	18,46,286.32

APPROPRIATIONS :

General Reserve	18,46,286.32
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DIVIDEND :

The Board of Directors at their meeting held on 25.07.2000 have decided to pass over the dividend this year since the Company has no sufficient distributable profits.

OPERATIONS :

The turnover of the Company has slightly reduced due to less orders from HDC and the profit percentage has decreased since the sales price had to be reduced due to immense competition.

FUTURE PROSPECTS :

The Orders in hand position of your Company is quite sound this year. The Company has got orders from Railway and Bogie manufacturers up to the approximate value of Rs. 6.5 crores. The Company is again planning to start business activities with State Road Transport Corporations in the field Leaf Springs with improved Price and better conversion rates. The negotiations with different State Road Transport Corporations are at the stage of finalisation. The Company is planning to exhaust the ideal capacity of Leaf Springs Plant by restarting business with State Road Transport Corporations. The Directors are taking all steps for broadening Original Equipment base from TELCO and TVS. The representatives of M/s. Mahindra & Mahindra have visited our plants and are planning to buy the Leaf Springs from the Company for their Armada Jeep and Coil Springs for their newly launched Jeep. The Company is completing all formalities necessary to obtain prestigious QS-90000 Certificate and a consultant has been appointed for the purpose.

PARTICULARS OF EMPLOYEES :

There was no employee during the year, who was in receipt of remuneration in excess of the limits prescribed under the provisions of Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Amendment Rules, 1988 i. e. Rs. 6,00,000/- p. a. if employed throughout the year or Rs. 50,000/- per month if employed for part of the year.

DIRECTORS :

Smt. Sushma Bhatia, Director of the Company retires by rotation at the forthcoming Annual General

Meeting and being eligible offers herself for re-appointment. Your Directors recommend for her re-appointment, being in the interest of the Company. Smt. Sonia Bhatia has been appointed as Whole Time Director/Compliance Officer of the Company. No other appointment has been made during the year under review.

LISTING OF SHARES :

The Company's shares are listed at Kanpur, Mumbai, Calcutta, Delhi and Ahmedabad Stock Exchanges. Listing fee upto financial year 1999-2000 has been paid in respect of all Stock Exchanges.

AUDITORS :

The Auditors of the Company M/s. Sanjay Nandani & Co., Chartered Accountants, retire at the ensuing Annual General Meeting. They being eligible have offered themselves for re-appointment. The Directors recommend that they be re-appointed.

COMMENT ON AUDITORS' REPORT :

In our opinion the observation of the Auditors are self explanatory and do not require further comments.

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

The information required under Section 217 (1) (e) of the Companies Act, 1956 read with the Company's (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 is given in the Annexure-I forming part of this report.

ACKNOWLEDGEMENT :

Your Directors wish to record their deep appreciation for the dedicated and valuable services rendered by the officers and employees of the Company. The directors also thank and acknowledge the co-operation and assistance received by the Company from Indian Railways, Telco & State Bank of India.

Place : Kanpur

Date : 25th July, 2000

For & on Behalf of the Board

ANUP SINGH

Chairman

TWENTIETH ANNUAL REPORT**ANNEXURE - I**

INFORMATION AS PER SECTION 217 (1) (e) READ WITH COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2000.

I. Conservation of Energy

The Company believes that conservation of energy is a never ending process. We have already achieved some remarkable results with the change over to Burner Nozel on all furnaces which will in turn save lot of fuel & money.

A. Particulars as per Form A

This is not applicable on the Company as per the list of Industries specified under Companies (Disclosure of Particulars in the Report of the Directors) Rules, 1988.

II. Particulars as per Form B**A. Research & Development (R & D)**

Specific Areas in which R & D carried out by the Company.

- Development of Material Handling System.
- Development of system for reducing Break down time of machine.
- Installation of CNC system in coiling M/c.

Benefits derived as a result of the above R & D.

- With the Development of improved material handling system, the Company will improve its production and reduce the strength of man power upto a great extent and avoid the damage of coil springs which is at present in existence because of manual material handling.
- With the installation of CNC coiling machine, manual error will be totally eliminated and production capacity will be augmented. By developing system for planned maintenance, the Company will get better productivity in future.

B. Technology absorption, adaptation and innovation**1. Efforts**

- The Company is considering to adopt a new technology of making cold coil springs. For this purpose technical and feasible study is being carried on and efforts are being made for technical collaboration with other groups.

2. Benefits

- By adopting the technology of coil springs, the Company will be able to increase its products range like product relating to shock absorber and other sophisticated springs for automobile industries that creates increase in turnover as well as utilisation of production capacity.

III. Foreign Exchange Earnings Rs. NIL

IV. Foreign Exchange Outgo Rs. 47,835.00

Place : Kanpur

Date : 25th July, 2000

For & on Behalf of the Board

ANUP SINGH

Chairman