

Frontier Alloy Steels Limited
Your Partner in Innovation



2019

**ANNUAL
REPORT**

Highlights for the year 2018-19



Top to Bottom:-

- 1) *Our Founder Shri Kundan Lal Bhatia was awarded with the “Life Time Achievement Award” from “TIE UP”*
- 2) *Bhoomi Pujan for Additional Unit at our Paonta Unit under the Expansion Program.*
- 3) *Our Directors with the “Frontier Team”*
- 4) *Women’s Day Celebrations at our Office.*



The world is changing all around us. To continue to thrive as a business over the next ten years and beyond, we must look ahead, understand the trends and forces that will shape our business in the future and move swiftly to prepare for what's to come. We must get ready for tomorrow today. That's what our 2020 Vision is all about. It creates a long-term destination for our business and provides us with a "Roadmap" for becoming leader in our sector.

Vision: To excel as a global railway component manufacturer and supplier, converting and distribution company through customer driven excellence with legal and ethical commitments.

Mission: To ensure satisfaction of customers through sale of quality products at reasonable prices adopting latest technology and knowledge.

Our Philosophy: The secret of our success is actually no secret at all. The basic ingredients are well known and they include- hard work, vast experience and an intimate knowledge of the market. Our business philosophy has evolved to provide precisely this. This ethic has become a part of the thought process of our young and energetic sales professionals. We look into the past and study the evolution of products till the present, and the demands that drove this evolution. Trust is a vital underpinning of our rock-solid reputation. This trust has been cultivated, largely, by our policy and quality products. Our relationship with customers is not a casual 'We Sell, You Buy' interaction. It is a partnership, mutually beneficial. Our customers are our friends and our friendship lasts forever.

Our Strength: Today we are a team of young and energetic professionals equipped with the latest technology and supported by a strong leadership support of the management.

Customer Satisfaction: We think a lot about how we deal with present and potential customers, rapidly bringing a high level of professional competence to solve their problems. We do this consistently, whether assisting customers before an order, sharing information, delivering on time and on specification, or giving the best service support in our industry. We maintain long term relationships that add value to customer products and services.

Frontier Alloy Steels Limited

PROMOTER	: MR. KUNDAN LAL BHATIA
CHAIRMAN	: MR. CHARAN DAS BHATIA
MANAGING DIRECTOR	: MR. CHETAN BHATIA
DIRECTORS	: MR. CHANDAN BHATIA : MR. MANU BHATIA : MR. SUBHASH CHANDRA BHATIA : MR. OM PRAKASH AHUJA : MRS. PRIYA BHATIA : MRS. PREETI BHATIA : MRS. SONIA BHATIA
INDEPENDENT DIRECTORS	: MR. PREM MOHAN GUPTA : MR. YASH PAL : MR R.N TRIVEDI
GENERAL MANAGER (FINANCE)	: MR. PAWAN KUMAR AGRAWAL
ASSISTANT GENERAL MANAGER (FINANCE)	: MR. SUMIT AGARWAL
COMPANY SECRETARY	: MS. MALLIKA GUPTA
STATUTORY AUDITORS	: M/S SUDHINDRA JAIN & CO. CHARTERED ACCOUNTANTS KANPUR
SECRETARIAL AUDITORS	: M/S SHRUTI AGARWAL & ASSOCIATES COMPANY SECRETARIES, KANPUR (C.P. NO. 8192)
COST AUDITOR	: RAKESH MISRA & CO. COSTACCOUNTANTS KANPUR
BANKERS	: ICICI BANK LIMITED, THE MALL ROAD KANPUR : YES BANK LIMITED GOVIND NAGAR BRANCH KANPUR : STATE BANK OF INDIA INDUSTRIAL FINANCE BRANCH KANPUR
REGISTERED OFFICE	: KM 25/5 & 6, KALPI ROAD, RANIA, KANPUR DEHAT- 209304, U.P.
WORK UNITS	: KM 25/5 & 6, KALPI ROAD, RANIA, KANPUR DEHAT- 209304, U.P. : JAMNI WALA ROAD, BADRI NAGAR, PAONTA SAHIB, DISTRICT- SIRMAUR 173025- H.P. : C-22 TO C-26 AND C -45 TO C-49, MALWAN U.P.S.I.D.C. INDUSTRIAL AREA FATEHPUR
REGISTRAR TRANSFER AGENT	:- LINK INTIME INDIA PVT. LTD. C-101, 247 PARK, LBS MARG, VIKHROLI (WEST) - 400083

CHAIRMAN SPEECH

DEAR SHAREHOLDERS

It gives me immense pleasure to Welcome you all to the 33rd Annual General Meeting of the company and on behalf of the board of directors of your company; I Thank all of you for your precious presence at the event.

At the outset, I feel extreme happiness to announce the tremendous financial results achieved by your company during the foregoing fiscal year. The growth journey started since last few years is now touching a new milestone year by year and this fiscal year has witnessed a remarkable turnover of **Rs. 281 Cr.** with **86%** increase than the previous year sale of Rs. 151 cr. and around **330% increase in profit before tax** than the previous year.

I express my sincere thanks to entire frontier's team, without whose hard work and dedication it could never have been possible and hope that their same sprit will always be with us to see a **benchmark sale of Rs. 500 cr.** in very short span of near future. However this year being an extra-ordinary year of growth, might not be taken as a benchmark in terms of percentage growth in further years

Your fabulous performance in terms of turnover has also resulted in creation a commendable cash accrual, due to which the company has been able to reduce its finance cost in a very efficient manner and even could deploy a handsome amount of **Rs. 30 cr. in mutual funds as investment.**

Further as the company has very good amount of order in hand therefore, to remove various bottlenecks it has an urgent need for expansion and hence the power load is being increased from **2900 KVA to 4500 KVA** at our Rania unit. Moreover as with the increased production requirement there was space scarcity at your Paonta Sahib Unit, a new land has been purchased to construct altogether a new plant within 5 km's from the existing plant.

Both of our expansions are expected to be operation by the last quarter of current fiscal year and hopefully will contribute with increased production capacity in the current year itself.

Industry Outlook

Your Company is overall optimistic that various reforms initiated by Government of India will lead to revival of the economy, primarily as the capital expenditure in projects in railways, highways, metros, airports; ports have been getting 20-30% increase in budget allocation for investments on year on year basis since last 3-4 years. **Railway Minister Shri Piyush Goyal** presented the Railway Budget 2019 along with the Union Budget on 1st February 2019. The Government announced a massive allocation for Railway's Capital expenditure of Rs 1.58 Lakh Crore under the interim budget of 2019-20. This Budget will truly open new avenues and opportunities for your Company. Railway Ministry, announced introduction of many new trains, including indigenously manufactured Train18.

"Introduction of the first indigenously developed and manufactured semi high-speed Vande Bharat Express (Train18) will give the Indian passengers world class experience with speed, service and safety. This major leap in wholly developed technology by our engineers will give an impetus to the Make in India programme and create jobs," Mr. Piyush Goyal announced.

As a long term planning, I am Happy to announce that your Company will make the most of this opportunity and will supply our components in *Vande Bharat Express (Train18)*

In addition, Govt. of India has identified specific goals/targets for 75th year of independence to set up a modern and efficient transport system through its New India 2022 development agenda, with key emphasis on railways, roads, urban transportation and airports. The Company's management team remains holistically focused on new opportunities and is committed to deliver increased value for its stakeholders.

Corporate Governance

Your company consistently endeavors to adopt and maintain the highest standards of ethics in all spheres of business activities. Your company is implementing the percepts of Corporate Governance in letter and spirit. Your company accords highest importance to transparency, accountability and equity in all facets of its operations.

Contribution to Govt. of India Initiatives

Frontier Alloy Steels Limited has always been proactively supporting the Government of India initiatives by formulating its business or governance objectives in line with the Govt. of India plans.

Make in India

In line with 'Make in India' initiative, Frontier Alloy Steels Limited became the first company to develop Upgraded High Tensile Centre Buffer Coupler and Draft Gears for Axle Load upto 32 Ton as well as developed the H-Type Tight Lock Coupler with Low Pre-load Draft Gear & Jerk-Free H-Type Tight Lock Coupler with Balance Draft Gear, This provided Import Substitution under "Make in India Initiative.

Digital India

In line with the Digital India initiative and to enhance transparency, improve efficiency of our operations, several key initiatives have been implemented and planned for the Company, We are under the process of transforming our Accounts/Marketing –Sales division's working into SAP based Module. We have already purchased the software and are currently under implementation Stage, regular training sessions are being given to the Employees. Up gradation of our software will definitely give us an edge over our Competitors and will boost our efficiencies.

Corporate Social Responsibility

Your company understands its responsibility towards society and adopted a "Corporate Social Responsibility policy" to show its commitment towards operating in economically, socially and environmentally sustainable manner. As a responsible corporate citizen, your Company has spent Rs.31.64 Lakhs on various CSR activities during the year 2018-19.

Acknowledgment

I express my gratitude to our esteemed Shareholders, my colleagues on the Board of Directors and members and Officers of the Indian Railway, for their valuable support, advice and co-operation. We are particularly grateful to the Ministries of Railways, our Bankers of the company for their valuable support and guidance to the Company.

Special mention is warranted for the tireless efforts of Frontier team of officers and staff for their performance and enduring contribution in bringing the Company to such a height. Powered by the talent of our people and vesting reaffirmed faith in the resilience of our business model, we look forward to overcoming any challenges that may lie ahead.

With all the ingredients of dedicated people right business strategies in place, your company is well positioned to meet the demands of a growing industry and deliver the type of consistent results for which company is known for. I look forward for your unwavering support while continuing the growth momentum in coming years too.

With Best Regards,

S/d-
(CHARAN DAS BHATIA)
CHAIRMAN

FRONTIER ALLOY STEELS LIMITED

Registered Office – KM 25/5 & 6, Kalpi Road,
Rania, Kanpur Dehat- 209304
CIN: U27105UP1986PLC007967

Tele. Office: 09235396513
E-mail: frontieralloy@yahoo.co.in

Notice

NOTICE is hereby given that the 33rd Annual General Meeting of the Members of Frontier Alloy Steels Limited will be held on Monday, the 30th day of September 2019 at 12:00 PM. at KM 25/5 & 6, Kalpi Road, Rania, Kanpur Dehat 209304 (U.P.) to transact the following business:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2019 together with the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend for the year ended 31st March, 2019.
3. To appoint a Director in place of Mr. Chandan Bhatia (DIN: 00615086), who retires by rotation and, being eligible, offers himself for reappointment.
4. To appoint a Director in place of Mrs. Preeti Bhatia (DIN: 03476792), who retires by rotation and, being eligible, offers himself for reappointment.
5. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013, read with rules made there under, as amended from time to time, M/s. Sudhindra Jain & Co (FRN No. 001614C), Chartered Accountants, Kanpur retiring auditor of the Company be and are hereby re-appointed as Statutory Auditors of the Company for a period of Five years, to hold office from the conclusion of 33rd Annual General Meeting until the conclusion of the 38th Annual General Meeting of the Company, at such remuneration, as may be mutually agreed between the Board of Directors of the Company and the Auditors”

SPECIAL BUSINESS:

6. **To consider Ratification of Remuneration Payable to Cost Auditor and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution.**

Resolved that pursuant to the provisions of Section 148 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and Companies (Cost records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the remuneration amounting to Rs.55,000/- (Inclusive of all the out of Pocket expenses) Plus GST payable to M/s Rakesh Mishra & Co (Firm Registration Number 00249) Cost Accountants, Kanpur, to conduct the audit of the cost records of the Company for the financial year ending March 31, 2020 be and is hereby ratified by the members of the Company.

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

7. **To consider Re-Appointment of Mr. Prem Mohan Gupta, as an Independent Non-Executive Director and if thought fit, to Pass With Or Without Modification(S) The Following Resolution As Special Resolution:-**

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the act Mr. Prem Mohan Gupta (DIN: 02225024), Independent Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria of independence as provided in Section 149(6) of the Act as amended from time to time and who is eligible for reappointment, be and is hereby re-appointed as an Independent Non-Executive Director of the Company to hold office for a second term of five consecutive years with effect from 1st April, 2019 to 31st March, 2024 and whose office shall not be liable to retire by rotation”.

“RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby authorized to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the aforementioned resolution and to comply with all other requirements in this regard.”

8. Alteration of the Objects Clause of the Memorandum of Association of The Company and if thought fit, to pass with or without modification(s) the following resolution as Special Resolution:-

“RESOLVED THAT pursuant to the provisions of Section 4, 13 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof) and subject to necessary approval(s), if any, from the competent authorities, consent of the members of the Company be and is hereby accorded to make the following amendments:-

- A) Substituting the heading of Clause III (A), "THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION" with the words **"THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION "**.
- B) Substituting the heading of Clause III (B), "THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS ARE" with the words **"MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III (A)"**.
- C) To replace the existing sub-clauses 1 to 43 of Clause III (B) which contains various representations of Companies Act 1956 with the new sub-clause 1-50, as provided in the Annexure-1 attached to the Explanatory Statement to make it in consistent with the provisions of Companies Act 2013.

“RESOLVED FURTHER THAT the Clause III (B) of the Memorandum of Association be consecutively numbered after taking into consideration the above mentioned amendments.”

“RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby authorized to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the aforementioned resolution and to comply with all other requirements in this regard.”

9. Deletion of the Other Objects Clause of the Memorandum of Association and if thought fit, to pass with or without modification(s) the following resolution as Special Resolution:-

“RESOLVED THAT pursuant to the provisions of Section 4, 6, 13 and all other applicable provisions, if any, of the Companies Act, 2013 (including any amendment thereto or re-enactment thereof), and subject to necessary approval(s) if any, from the competent authorities, the Other Objects Clause of the Memorandum of Association of the Company be altered by completely deleting the Clauses III(C) 1 to III(C) 19.”

“RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorized to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the aforementioned resolution and to comply with all other requirements in this regard.”

10. Amendment of the Liability Clause of the Memorandum of Association and if thought fit, to Pass With Or Without Modification(S) The Following Resolution As Special Resolution:-

“RESOLVED THAT pursuant to the provisions of Sections 4, 13 and all other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or re-enactment thereof), Clause IV of the Memorandum of Association be and is hereby amended by replacing the existing Clause IV with the following new Clause IV:

Clause IV: “The liability of the member(s) is limited and this liability is limited to the amount unpaid, if any, on shares held by them.”

“RESOLVED FURTHER THAT Board of Directors of the Company be and is hereby authorised to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the aforementioned resolution and to comply with all other requirements in this regard.”

11. Adoption of New Set of Article Of Association and if thought fit, to Pass With Or Without Modification(s) the following resolution As Special Resolution:-

“RESOLVED THAT pursuant to the provisions of Section 14 and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or re-enactment thereof), the Articles of Association of the Company be and are hereby altered by replacing all the existing regulations 1 to 185 with the new regulations 1 to 90 a copy of which is annexed to the explanatory statement as *Annexure-2*, be and are hereby adopted as new regulations of the Articles of Association of the Company.”

“RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby authorized to do all such acts, matters, deeds and things necessary or desirable in connection with or incidental to giving effect to the aforementioned resolution and to comply with all other requirements in this regard.”

**By the Order of Board of Directors
For FRONTIER ALLOY STEELS LIMITED**

Date	: 25.05.2019	S/d-
Place	: Kanpur Dehat	(Mallika Gupta)
Registered	: KM 25/5 & 6, Kalpi Road, Rania,	Company Secretary
Office	: Kanpur Dehat- 209304, U.P.	
CIN	: U27105UP1986PLC007967	

Notes:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) in number 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 cannot act as a proxy for any other person or shareholder. Proxies in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable. A Blank Proxy Form is annexed hereto.
2. The Explanatory Statement setting out material facts, pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business under Item Nos. 6 to 11 of the accompanying Notice are annexed hereto.
3. The Record Date for evaluating the shareholders eligible for Dividend Payout shall be 28th September 2019.
4. A route map showing directions to reach the venue of the 33rd AGM is given at the end of this Notice.
5. The Company has a sum of Rs. 42,180.20 lying in the Frontier Alloy Steels Limited Unpaid Dividend Account for the year 2016-17 with YES Bank Limited and the due date of Transfer to IEPF is 16th September 2024.
6. The Company has a sum of Rs. 77580.40 lying in the Frontier Alloy Steels Limited Unpaid Dividend Account for the year 2017-18 with YES Bank Limited and the due date of Transfer to IEPF is 30th October 2025.
7. Brief Profile of the Directors is enclosed with the Notice

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 (1) OF THE COMPANIES ACT, 2013

Item No. 6:- Ratification of Remuneration of Cost Auditor

The Board of Directors of the Company on the recommendation of the Audit Committee, approved the appointment and remuneration of M/s. Rakesh Mishra & Co. (Firm Registration Number 00249) Cost Accountants, Kanpur, to conduct the audit of the cost records of the Company pertaining to the financial year ending March 31, 2020, at a remuneration of Rs. 55000/- (Inclusive of all the out of pocket expenses) plus GST as may be applicable based on the scope of work which was recommended by the Audit Committee.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014 and the Companies (Cost records and Audit) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), ratification for the remuneration paid to the Cost Auditors for the Financial Year 2019-20 by way of an ordinary resolution is being sought from the members.

The Resolution is recommended for your approval.

None of the Directors and Key Managerial Personnel of the Company is interested in the resolution.

Item No. 7:- Re-Appointment of Independent Director

The Board of Directors of the Company recommended re-appointment of Mr. Prem Mohan Gupta as Independent Director of the Company. He has been associated with the Company since 2010 and has been mentoring the Board towards a progressive growth. He is a fellow member of Institute of Chartered Accountant of India (ICAI) and his strong financial acumen has helped the Board in Financial Planning, Budgeting and Long term Growth Prospects.

In accordance with the provisions of Sections 149, 150, 152 and any other applicable provisions of the Companies Act, 2013 ("Act") if any, and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, re-appointment of Mr. Prem Mohan Gupta as Independent Director of the Company is being sought from the members by way of Special resolution.

The Resolution is recommended for your approval.

None of the Directors and Key Managerial Personnel of the Company is interested in the resolution.

Item No. 8-10-Amendment in the Memorandum of Association of the Company

Upon enactment of the Companies Act, 2013 various provisions of the Companies Act, 1956 have been repealed and considering the same the Memorandum of Association of the Company needs to be re-aligned as per the provisions of the new Act. Your Directors in their meeting held on 25th May 2019 approved, subject to the approval of the members the amendments in the Memorandum of Association of the Company.

- A) Substituting the heading of Clause III (A), "THE MAIN OBJECTS OF THE COMPANY TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION" with the words "**THE OBJECTS TO BE PURSUED BY THE COMPANY ON ITS INCORPORATION**".
- B) Substituting the heading of Clause III (B), "THE OBJECTS INCIDENTAL OR ANCILLARY TO THE ATTAINMENT OF THE MAIN OBJECTS ARE" with the words "**MATTERS WHICH ARE NECESSARY FOR FURTHERANCE OF THE OBJECTS SPECIFIED IN CLAUSE III (A)**".
- D) To replace the existing sub-clauses 1 to 43 of Clause III (B) which contains various representations of Companies Act 1956 with the new sub-clause 1-50, as provided in the *Annexure-1 attached to the Explanatory Statement* to make it in consistent with the provisions of Companies Act 2013.
- C) Deletion of the other objects clause of the Memorandum of Association.
- D) Amendment of the Liability Clause of the Memorandum of Association.

As per Section 4 and 13 the Companies Act 2013, read with Companies (Incorporation) Rules, 2014, any alterations proposed to be made in the Memorandum of Association of the Company requires the approval of the members vide a Special Resolution. A copy of the altered Memorandum of Association will be available for inspection at the registered office of the Company on any the day of meeting.

Accordingly, the Board of Directors of the Company seeks the approval of the members of the Company for the aforesaid alteration by way of a Special Resolution.

None of the Directors and Key Managerial Personnel of the Company is interested in the resolution.

ITEM NO. 11:- Adoption of New Articles of Association of the Company

Upon enactment of the Companies Act, 2013 various provisions of the Companies Act, 1956 have been repealed and in view of the same the Articles of Association of the Company needs to be re-aligned as per the provisions of the new Act. Accordingly, it is proposed to adopt a new set of Articles of Association of the Company as per Annexure-2, primarily based on Table "F" of Schedule I of the Companies Act, 2013 which sets out the model Articles of Association for a Company limited by Shares, and also including such additional matters as are necessary for the management of the Company in place of the existing Articles of Association.

Your Directors in their meeting held on 25th May 2019, approved the adoption of new set of Articles of Association, subject to the approval of the members and for the exclusion of the existing Articles of Association.

By virtue of Section 5 and 14 of the Companies Act, 2013, approval of Members is required by way of Special Resolution in General Meeting to amend the Articles of Association of the Company. A copy of the altered Article of Association will be available for inspection at the registered office of the Company on any the day of meeting.

Accordingly, the Board of Directors of the Company seek the approval of the members of the Company for the aforesaid alteration by way of a Special Resolution.

None of the Directors and Key Managerial Personnel of the Company is interested in the resolution.

**By the Order of Board of Directors
For FRONTIER ALLOY STEELS LIMITED**

Date : 25.05.2019
Place : Kanpur Dehat
Registered :-KM 25/5 & 6, Kalpi Road, Rania,
Office : Kanpur Dehat- 209304, U.P.
CIN : U27105UP1986PLC007967

S/d-
(Mallika Gupta)
Company Secretary

BRIEF PROFILE OF DIRECTORS SEEKING APPOINTMENT/ RE-APPOINTMENT

Particulars	Mr. Chandan Bhatia	Mrs. Preeti Bhatia	Mr. Prem Mohan Gupta
DIN	00615086	03476792	02225024
Date of Birth	21/10/1973	22/02/1977	10/04/1951
Experience	Mr. Chandan Bhatia, an Engineer by profession, looks after the technical department and the overall administration at our Paonta Sahib Unit. He also takes care of the technical segment in the manufacturing process of our product. Having an experience of more than 17 years, the Company under his leadership continues to make high quality products with latest technical up gradations	Mrs. Preeti Bhatia has completed her Master's from Christ Church College in M.A. and has an overall experience of 7 years managerial skills. Mrs. Preeti Bhatia has been handling the managerial affairs of the company, since 2017, her appointment in the company has resulted in value addition and upscale growth of the Company.	Mr. Prem Mohan Gupta is the Independent Director of the Company. He has been associated with the Company since 2010 and has been mentoring the Board towards a progressive growth. He is a fellow member of Institute of Chartered Accountant of India (ICAI) and his strong financial acumen has helped the Director in Financial Planning, Budgeting and Long term Growth Prospects. Besides he has been associated with the Rahman Industries Limited since 2011.
Date of Appointment on the Board	1 st April 2009	1 st September 2017	22 nd February 2010
Expertise in specific functional area	Business	Business	Finance
Chairman / Director of other Companies	NIL	NIL	Rahman Industries Limited
Chairman / Member of Committee of the Board of other Companies of which he is a Director	NIL	NIL	He is a Chairman of Nomination and Remuneration Committee and Audit Committee and also a member of Corporate Social Responsibility Committee of the Board of Directors of Rahman Industries Limited
Shareholding of Director in the Company	784240 shares	819325 shares	NIL
Relationship with other Director(s).	Relative of Promoter Directors	Relative of Promoter Directors	Independent Director
No. of Meetings of the Board attended during the year	5 Meetings in the year 2018-19	5 Meetings in the year 2018-19	6 Meetings in the year 2018-19

FRONTIER ALLOY STEELS LIMITED

Registered Office – KM 25/5 & 6, Kalpi Road,
Rania, Kanpur Dehat- 209304
CIN: U27105UP1986PLC007967

Tele. Office: 09235396513
E-mail: frontieralloy@yahoo.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]

CIN:	U27105UP1986PLC007967
Name of the company:	Frontier Alloy Steels Limited
Registered Office:	KM 25/5 & 6 Kalpi Road Rania Kanpur Dehat 209304

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

I/We, being the member(s) of _____ shares of the above named company. Hereby appoint

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

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

as my/ our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33rd Annual General Meeting of the company, to be held on the 30th day of September 2019 at 12:00 p.m. at Registered office of the Company KM 25/5 & 6 Kalpi Road Rania Kanpur Dehat 209304 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	For	Against
1.	To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended 31 st March, 2019 together with the Reports of the Board of Directors and the Auditors thereon.		
2.	To declare dividend for the year ended March, 31 st 2019.		
3.	To appoint a Director in place of Mr. Chandan Bhatia, who retires by rotation and, being eligible, offers himself for reappointment.		
4.	To appoint a Director in place of Mrs. Preeti Bhatia, who retires by rotation and, being eligible, offers himself for reappointment.		
5.	To approve Reappointment of Statutory Auditors		
6.	To consider Ratification of Remuneration Payable to Cost Auditor and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution.		
7.	To consider Re-Appointment of Mr. Prem Mohan Gupta, as an Independent Non-Executive Director and if thought fit, to Pass With Or Without Modification(S) The Following Resolution As Special Resolution		
8.	Alteration of the Objects Clause of the Memorandum of Association of The Company and if thought fit, to pass with or without modification(s) the following resolution as Special Resolution		
9.	Deletion of the Other Objects Clause of the Memorandum of Association and if thought fit, to pass with or without modification(s) the following resolution as Special Resolution		
10.	Amendment of the Liability Clause of the Memorandum of Association and if thought fit, to Pass With Or Without Modification(S) The Following Resolution As Special Resolution		
11.	Adoption of New Set of Article Of Association and if thought fit, to Pass With Or Without Modification(s) the following resolution As Special Resolution		

Signed this day of 2019

Signature of the Shareholder

Signature of the Proxy holder(s)

Please affix
Rs. 1/-
Revenue Stamp

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

FRONTIER ALLOY STEELS LIMITED

Registered Office – KM 25/5 & 6, Kalpi Road,
Rania, Kanpur Dehat- 209304
CIN: U27105UP1986PLC007967

Tele. Office: 09235396513
E-mail: frontieralloy@yahoo.co.in

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

I hereby record my presence at the 33rd Annual General Meeting of the Company held on 30th day of September 2019 at 12:00 p.m. at KM 25/5 & 6, Kalpi Road, Rania, Kanpur Dehat – 209304.

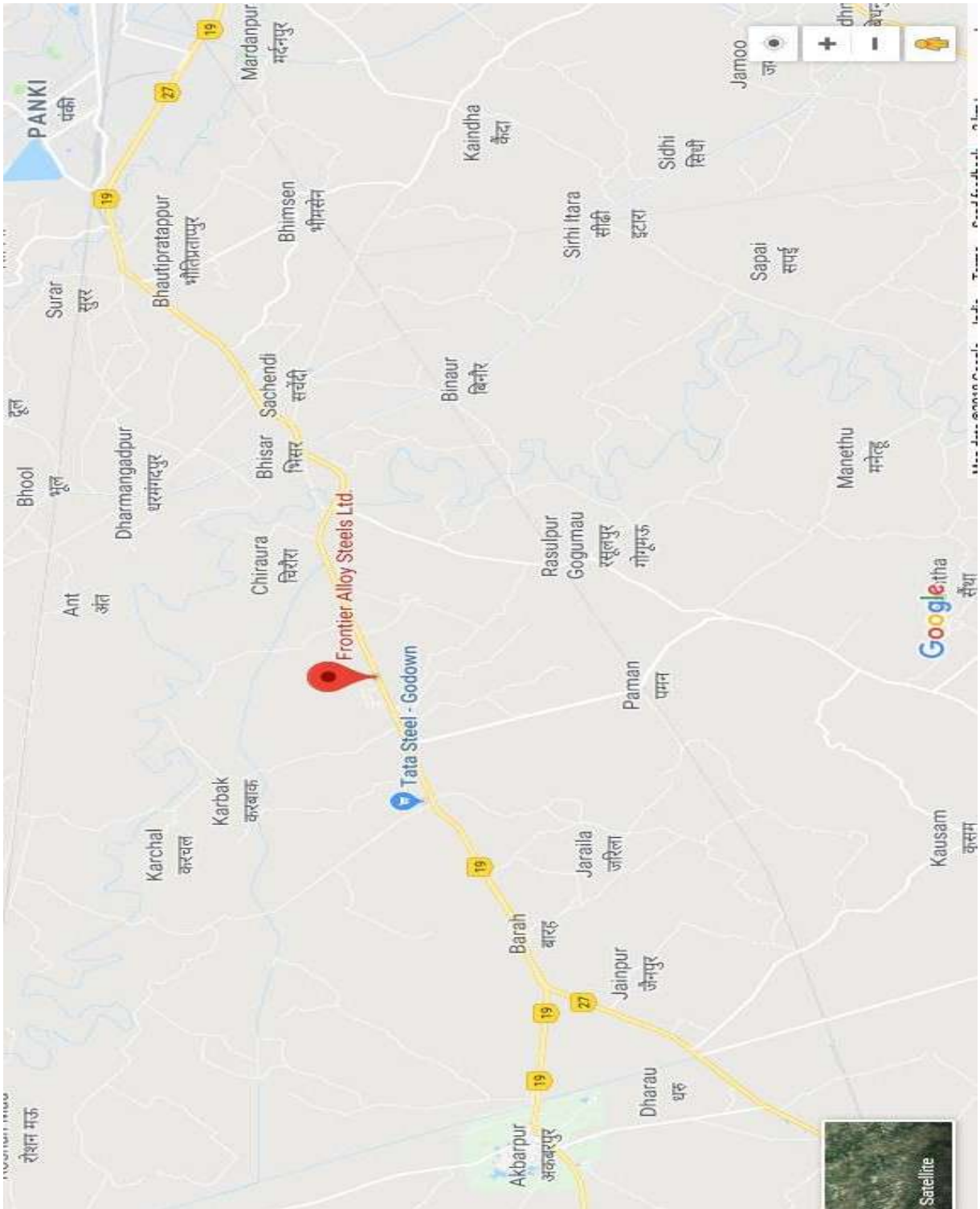
NAME OF THE SHAREHOLDER: (IN BLOCK LETTER)	NO. OF SHARES HELD:
SIGNATURE OF THE SHAREHOLDER:	FOLIO NO:
NAME OF THE PROXY: (IN BLOCK LETTER)	SIGNATURE OF THE PROXY:

FRONTIER ALLOY STEELS LIMITED

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CIN: U27105UP1986PLC007967

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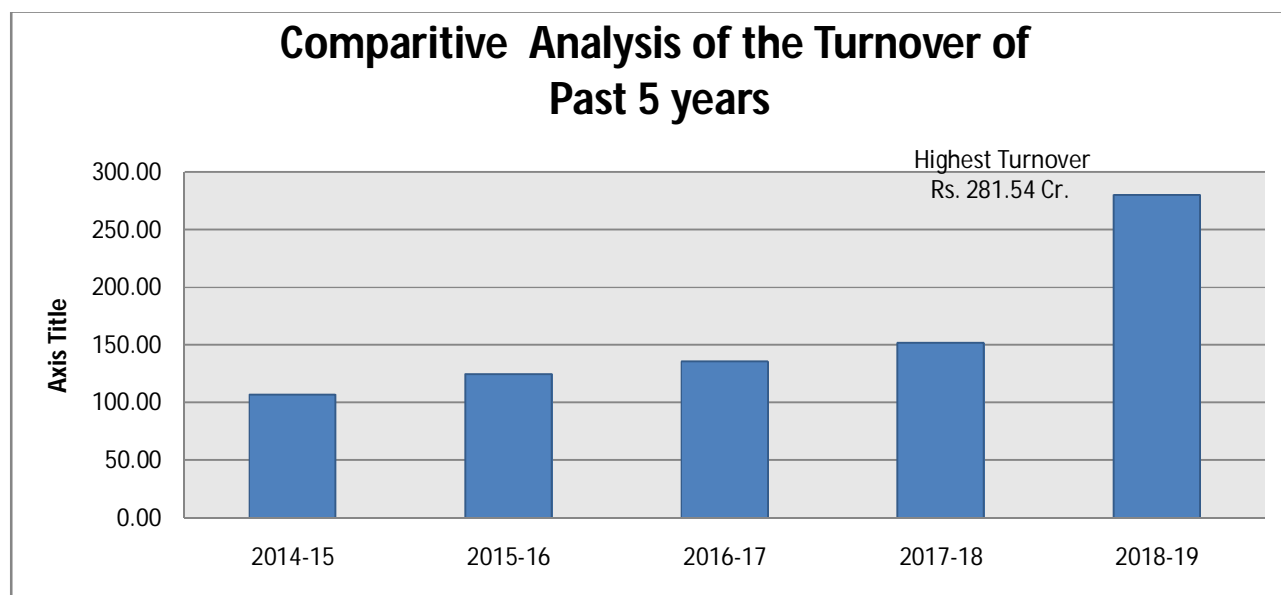
Route Map to the Venue:-



DIRECTORS' REPORT

To,
The Members of
Frontier Alloy Steels Limited

Your Directors have pleasure in presenting their 33rd Annual Report on the business and operations of the Company together with the Audited Financial Statements for the financial year ended 31st March, 2019. It gives us immense pleasure to share with you the financials for the Year 2018-19 which has been a year of continuous sustainable growth for the Company.



STATE OF COMPANY'S AFFAIRS AND FUTURE OUTLOOK

Frontier Alloy Steels Limited has been at the forefront of manufacturing superior quality products and components for the Indian Railways and its customers since its Incorporation in the year 1986. Frontier's strength lies in its constant desire for innovation and development that results in it being the first to design and manufacture products like the 25 Ton Axle Load Bogie, Draft Gear 71-BD-10 and High Tensile Tight lock Coupler AAR 'H' Type with Balance Draft Gear.

The Company has recently developed Dual Mode Bogie for WDAP-5 Locomotives. And supplied two numbers to DLW Varansi. We have also developed and supplied H-Type Tight Lock Coupler with Balance Draft gear and fitted in Humsafar express 12571 from GKP to AnandVihar Terminal with Loco Link WDAP-5 and successfully running from last 8 months with no jerks.

Further the Company is under the developing stage for Train-18 couplers, Gear Case for WAG-9 Locomotives, Front Part for LHB Coaches, Housing for WAP-5 Locomotives, TM Suspension holder, Pivot for WAP-5 Locomotives, Wheel Set Guide, Suspension Tube, Low travel raised capacity draft gear.

DIVIDEND:

Your Directors are pleased to recommend a Final Dividend of Rs. 1.20 per equity of face value of Rs. 10/- each for the year ended 31st March 2019. The dividend if approved and declared in the forthcoming Annual General meeting would result in a Dividend outflow of Rs. 1,02,10,198/-

DISCLOSURES OF AMOUNTS, IF ANY, TRANSFER TO ANY RESERVES:

Company has not proposed to carry any amount to any reserves from the profits of the Company. Hence, disclosure under Section 134 (3) (j) of the Companies Act, 2013 is not required.

FINANCIAL RESULTS

The Company's Financial Results for the financial year ended on 31st March, 2019 along with previous year's figures are given hereunder:

PARTICULARS	For the Year Ended 31.03.2019 (Rs. In Lac)	For the Year Ended 31.03.2018 (Rs. In Lac)
Sales & Other Income	28757.45	15223.76
Profit/(Loss) for the year before Interest, Finance Charges , Taxation and Depreciation	7687.66	2675.11
Less : Finance Cost	118.80	89.92
Profit before Depreciation and Tax	7568.86	2585.19
Less : Depreciation	580.13	466.06
Profit/(Loss) before tax	6988.73	2119.13
Less/Add Provision for Taxation		
Current Tax	1881.15	664.53
Deferred Tax	54.79	111.56
Profit/(Loss) After Tax	5052.79	1343.04

STATUTORY AUDITORS:

Pursuant to the provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013 and Rules made there under, as amended from time to time, M/s Sudhindra Jain & Co. (Firm Registration No. 001614C), Chartered Accountants, Kanpur, be and are hereby re-appointed as the Statutory Auditors of the Company for a period of five years in the 33rd Annual General Meeting, at a remuneration which may be determined by the Board of Directors of the Company.

Reporting of Frauds by the Auditor:

No Material Frauds by the Company or on the Company by its officers or employees has been noticed or reported during the course of our Audit as per Section 143(12) of the Companies Act, 2013.

EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLAIMERS MADE BY THE AUDITORS IN THEIR REPORTS:

The Auditor's Report does not contain any qualifications. The notes to the accounts referred to in the Auditor's report are self-explanatory and therefore does not call for any further comments of Directors.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:

Your Company has an investment in the shares of other body corporate, and is in compliance with the provisions of Section 186, the details of the same are provided in the Note No. 11 of Financial Statement.

Name of the Company	No. of Shares
Frontier Springs Limited	3500
Shivalik Solid Waste Management Ltd.	1250

Further, Your Company has not made any loan or given any guarantee under Section 186 of the Companies Act, 2013 during the year under review. Apart from this the Company has also invested Rs. 334,551,969.84 , as compared to previous years investment Rs. 11,100,000.00

INFORMATION PURSUANT TO RULE 5 (2) OF COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

The remuneration and perquisites to our employees, including the Management are on par with the industry benchmarks. Further, there is no employee(s) in receipt of remuneration exceeding the limits specified under Rule 5 (2) of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014.

BOARD MEETING:

During the financial year ended 31st March, 2019, seven meetings were held, the details for the same are as follows:

- i. 30th May 2018
- ii. 4th July 2018
- iii. 28th July 2018
- iv. 22nd October 2018
- v. 15th November 2018
- vi. 20th December 2018
- vii. 16th February 2019

MATERIAL CHANGES AND COMMITMENT IF ANY AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENT RELATE AND THE DATE OF THE REPORT:

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statement relate on the date of this report except purchase of some machineries for technology up gradation.

STATEMENT INDICATING DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT:

Risk management is embedded in your Company's operating framework. Your Company believes that managing risks helps in maximizing returns. The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks.

The Company follows the risk management policy, wherein the management keeps a hawk eye view on the markets, both domestic and foreign, related to products and raw materials which is required.

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

The information pertaining to conservation of energy, technology absorption, Foreign exchange Earnings and outgo as required under Section 134 (3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 is furnished in "Annexure A".

PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES MADE PURSUANT TO SECTION 188 OF THE COMPANIES ACT, 2013

Details of each of the related party transaction entered into by the Company during the Year together with justification are annexed herewith in Form AOC-2 as "Annexure B".

ANNUAL RETURN

The extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is furnished in "Annexure C".

CORPORATE SOCIAL RESPONSIBILITY:

As required u/s 135 of the Companies Act, 2013, the Board of Directors the Corporate Social Responsibility (CSR) Committee looks after initiatives of the Company.

A copy of CSR Policy has been attached for your perusal as "Annexure D" the same has also been placed on the Website of the Company www.frontieralloy.com. Further the CSR initiatives of the Company are laid out in "Annexure E"

Annual report on CSR as required under rule 8(1) of the Companies (Corporate Social Responsibility) Rules, 2014 is annexed with this report as “Annexure F”.

During the year under review the Company has spent Rs. 32.65 Lakhs towards CSR out of the projected figure of Rs. 32.65 Lakhs. The Company’s CSR initiatives usually involve setting the foundation of various programs at a small scale to learn from on-ground realities, getting feedback from community and then putting an enhanced model to ensure maximum benefit to the community.

CHANGE IN DIRECTOR:

Mr. Chandan Bhatia (DIN: 00615086), Director is retiring by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment. In view of the valuable guidance and support received from him, your Directors recommend his re-appointment.

Mrs. Preeti Bhatia (DIN: 03476792) , Director is retiring by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment. In view of the valuable guidance and support received from him, your Directors recommend his re-appointment.

Mr. Yash Pal and Mr. Ramesh Narayan Trivedi Joined the Board as Independent Directors on 30th May 2018.

Mr. Prem Mohan Gupta is being re-appointed as Independent Directors for a second term of five consecutive years with effect from 1st April, 2019 to 31st March, 2024 and whose office shall not be liable to retire by rotation

DECLARATION BY INDEPENDENT DIRECTORS

The Company has received necessary declaration from each independent director under section 149(7) of the Companies Act 2013, that he meets the criteria of Independence laid down in section 149 (6) of the Companies Act 2013.

SUBSIDIARY COMPANY / ASSOCIATE / JOINT VENTURE COMPANY

The Company has no Subsidiary, Associate and Joint Venture Companies during the year as such the requirement of furnishing information relating to performance and financial position of the Subsidiary, Associate and Joint Venture Companies is not applicable.

DETAILS OF SIGNIFICANT MATERIAL ORDERS PASSED BY THE REGULATORS / COURTS / TRIBUNAL IMPACTING THE GOING CONCERN STATUS AND COMPANY’S OPERATION IN FUTURE:

There are no significant material orders passed by the Regulators / Courts / Tribunal which would impact the going concern status of the Company and its future operations.

DEPOSITS:

The details relating to deposits, covered under Chapter V of the Act,-

(A) Accepted during the year; Nil

(B) remained unpaid or unclaimed as at the end of the year; Nil

(C) Whether there has been any default in repayment of deposits or payment of interest thereon during the year and if so, number of such cases and the total amount involved- No

(i) at the beginning of the year; N.A.

(ii) maximum during the year; N.A.

(iii) at the end of the year; N.A.

The details of deposits which are not in compliance with the requirements of Chapter V of the Act: Nil

However, Company had accepted unsecured loans amounting to Rs. 15,00,000/- from its Directors and their relatives falling within the purview of sub- clause (viii) of clause 2(c) of the Companies (Acceptance of Deposits) Rules, 2014 which have now been successfully repaid, and there is NIL outstanding as on the financial year ended on 31.03.2019.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS PURSUANT TO RULE 8 (5) (viii) OF COMPANIES (ACCOUNTS) RULES, 2014:

Your Company has an effective internal control and risk-mitigation system, which are constantly assessed and strengthened with new/revised standard operating procedures. The Company's internal control system is commensurate with its size, scale and complexities of its operations.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of the internal control systems and suggests improvements to strengthen the same. The Company has a robust Management Information System, which is an integral part of the control mechanism.

The Company has an adequate internal financial control system, commensurate with the size of its business operations.

REMUNERATION AND NOMINATION COMMITTEE:

Nomination and Remuneration Committee of the Board of Directors ("The Nomination and Remuneration Committee") is entrusted with the responsibility to assist the Board of Directors in fulfilling its oversight responsibilities for identifying the list of criteria to be considered in responsibilities for identifying the list of criteria to be considered in choosing Directors and formulate a Remuneration philosophy of the Company that attracts, retains and motivates Directors. (Weblink :- <https://www.frontieralloy.com>)

- To develop a process for the evaluation of the performance of the Board, its committees and Directors.
- To ensure succession plans are in place to maintain an appropriate balance of skills, experience and expertise on the Board and reviewing those plan.

Roles and Duties

- Identifying the list of criteria to be considered in choosing Directors and Senior Management Personnel of the Company.
- Recommend to the Board, appointment and removal of Directors, Managing Director, and Whole Time Director of the Company.
- Formulate a Remuneration philosophy for the Company that attracts, retains and motivates Directors and Senior Management Personnel.
- The remuneration/compensation/commission etc to the Director, Whole Time director and senior Management Personnel will be determined by the Committee and be recommended to the Board for approval. The remuneration/compensation/commission etc shall be subject to the prior/post approval of the Shareholders of the Company and Central Government, wherever required.
- Develop a process for the evaluation of the performance of the Board, its committees and Directors to be carried out either by the Board, by the Nomination and remuneration Committee or by an Independent external agency and review its implementation and compliance.
- The Nomination and remuneration committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration for the Directors, senior management and other employees.
- The Nomination and Remuneration Committee shall, while formulating the policy under subsection (3) of Section 178 of the Companies Act 2013 ensure that-
 - The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully.
 - Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
 - Remuneration to directors, senior management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

Composition

The Remuneration and Nomination Committee comprised of three directors Mr. Yash Pal, Mr. R.N. Trivedi and Mr. Prem Mohan Gupta, Non-Executive, Independent Director. The composition, quorum, powers, role and scope are in accordance with the provisions of Section 178 of the Companies Act 2013.

Meeting and Attendance

The Remuneration and Nomination Committee met Twice during the year on 30.05.2018, and 20.12.2018. The necessary quorum was present for the Meeting.

Authority of the Nomination and Remuneration Committee

The Nomination and Remuneration Committee is empowered to seek any information or explanation from management that it considers necessary to fulfill its responsibilities. It can Interact, engage and consult external experts, with or without the presence of the management team to fulfill its responsibilities.

AUDIT COMMITTEE

Audit Committee of the Board of Directors (“the Audit Committee”) is entrusted with the responsibility to supervise the Company’s internal controls and financial reporting process. The composition, quorum, powers, role and scope are in accordance with Section 177 of the Companies Act, 2013. All members of the Audit Committee are financially literate and bring in expertise in the fields of Finance, Taxation and Economics. (Weblink :- <https://www.frontieralloy.com>)

Objective

The Audit Committee is appointed by the Board to:

1. Assist the Board of Directors in monitoring and ensuring
 - (a) The integrity of the Company’s financial statement.
 - (b) The Company’s compliance with legal and regulatory requirements.
 - (c) The qualification and interpretation of the Company’s Independent auditors.
 - (d) The performance of the Company’s internal audit function and external auditors.
2. Oversee the accounting and financial reporting processes of the Company and the audits of the Financial Statement of the Company.

Responsibilities

Every Audit Committee shall act in accordance with the terms of reference specified in writing by the Board which shall inter alia, include,-

1. Oversight of the company’s financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor/Cost Auditor/Internal Auditor if appointed and the fixation of audit fees.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
4. Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - Matters to be included in the Director’s Responsibility Statement to be included in the Board’s report;
 - Changes, if any, in accounting policies and practices and reasons for the same;
 - Major accounting entries involving estimates based on the exercise of judgment by management
 - Significant adjustments made in the financial statements arising out of audit findings;
 - Disclosure of any related party transactions;
 - Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval.
6. Review and monitor the auditor’s independence and performance, and effectiveness of audit process.
7. Approval or any subsequent modification of transactions of the company with related parties.
8. Scrutiny of inter-corporate loans and investments.
9. Valuation of undertakings or assets of the company, if required.

10. Evaluation of internal financial controls and risk management systems.
11. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.
12. Discussion with internal auditors (appointed if any) of any significant findings and follow up there on.
13. Reviewing the adequacy of internal audit function (appointed if any), if any, including the structure of the internal audit department, staffing and seniority of the official heading the department reporting structure coverage and frequency of internal audit.
14. Approval of appointment of CFO (appointed if any) (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate.
15. Review the need for and where needed, the plan, resourcing and performance of the internal audit team (appointed if any)
16. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Composition

The Audit Committee is headed by Mr. Prem Mohan Gupta, chairperson and the Independent director of the Company. The other members of the Audit Committee were Mr. Manu Bhatia, Mr. Yash Pal and Mr. R.N. Trivedi.

Meeting and Attendance

The Audit Committee met four times during the Financial Year 2018-2019. The necessary quorum was present for all Meetings. The meeting was held on 30.05.2018, 28.07.2018, 15.11.2018 and 16.02.2019.

DISCLOSURE OF COMPOSITION OF AUDIT COMMITTEE:

The provisions of Section 177 of the Companies Act, 2013 read with Rule 6 of the Companies (Meetings of the Board and its Powers) Rules, 2013 are applicable to the Company.

DISCLOSURE ON THE COMPLIANCES WITH THE SECRETARIAL STANDARDS

The Company has duly complied with the Provisions of the Secretarial Standards i.e. SS-1 'Meeting of the Board of Directors' and SS-2 'General Meetings' as applicable to the Company. The Company ensures that it follows best governance practices and does true and fair reporting.

DISCLOSURE WHETHER MAINTAINENCE OF COST RECORDS AS SPECIFIED BY CENTRAL GOVERNMENT UNDER SUB SECTION 1 OF SECTION 148 OF COMPANIES ACT 2013 IS REQUIRED BY THE COMPANY AND ACCORDINGLY SUCH RECORDS AND ACCOUNTS ARE MAINTAINED BY THE COMPANY:-

The Company had appointed M/s Rakesh Mishra & Co. (Firm Registration Number 00249) Cost Accountants, Kanpur, to conduct the audit of the cost records of the Company pertaining to the financial year ending March 31, 2019, and duly maintains the Cost Records and get them audited by the Cost Auditor.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:

The Company has duly set up an Internal Complaints Committee (ICC) in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013, to redress complaints received regarding sexual harassment.

The following is a summary of sexual harassment complaints received and disposed off during the year 2018-2019.

No of complaints received	: Nil
No of complaints disposed off	: Nil

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 134 (3) (c) read with Section 134 (5) of the Companies Act, 2013, your Directors state that:

- a. In the preparation of the annual accounts, the applicable accounting standards have been followed with proper explanation relating to material departures;
- b. The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2019 and of the profit of the Company for that period;
- c. The Directors had 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;
- d. The Directors had prepared the annual accounts on a going concern basis; and
- e. The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

SECRETARIAL AUDITOR

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the rules made there under, the Company has appointed, M/s Shruti Agarwal & Associates Company Secretaries, Kanpur (C.P. No. 8192) as the Secretarial Auditors of the Company for the financial year 2018-19 to undertake the Secretarial Audit of the Company. Secretarial Audit Report for the year 2018-19 is issued by them in prescribed form MR-3 is annexed to this Report.

The said secretarial audit report does not contain any qualification, reservation, or adverse remark or disclaimer made by the Secretarial Audit Report.

CREDIT RATING ON CREDIT FACILITIES FROM BANK:

Your Company's financial discipline and prudence is reflected in the Credit Rating which has been approved by the CRISIL as BBB+.

ACKNOWLEDGEMENTS:

The Directors wish to place on record their appreciation to the wholehearted help and co-operation received from the government authorities, bankers, business associates, partners, vendors and clients of the Company.

The relations between the management and the staff were cordial during the period under review. Deep appreciation is also acknowledged for the support and hard work put in by the employees of the Company at all levels.

For and on behalf of the Board
For FRONTIER ALLOY STEELS LIMITED

Date : 25.05.2019
Place : Kanpur Dehat
Registered Office : KM 25/5 & 6, Kalpi Road, Rania,
Kanpur Dehat- 209304, U.P.
CIN : U27105UP1986PLC007967

S/d-
(Charan Das Bhatia)
Chairman
DIN: 00628184

Annexure “A” to Directors’ Report for the year ended 31st March, 2019

Particulars required under Section 134 (3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014

<p>Conservation of Energy :</p> <p>(i) the steps taken or impact on conservation of energy</p> <p>(ii) the steps taken by the company for utilizing alternate sources of energy</p> <p>(iii) the capital investment on energy conservation equipments;</p>	<p>Energy conservation continues to receive priority attention at all levels. All efforts are made to conserve and optimize use of energy with continuous monitoring, improvement in maintenance and distribution systems and through improved operational techniques.</p>
<p>Technology absorption :</p> <p>(i) the efforts made towards technology absorption</p> <p>(ii) the benefits derived like product improvement, cost reduction, product development or import substitution</p> <p>(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)</p> <p style="margin-left: 20px;">a. the details of technology imported</p> <p style="margin-left: 20px;">b. the year of import;</p> <p style="margin-left: 20px;">c. whether the technology been fully absorbed</p> <p style="margin-left: 20px;">d. If not fully absorbed, areas where absorption has not taken place, and the reasons thereof.</p> <p>(iv) The expenditure incurred on Research and Development.</p>	<p>Updation of Technology is a Continuous process, absorption implemented and adopted by the Company for innovation. During the year 2018-19 Company has purchased Horizontal Machining Centre model, NHM 800 (DOOSAN) & Horizontal Machining Centre model (Bharat Fritz Welding Ltd), Arc Welding Machine, Hydraulic Press, Stress Relieving Heat Treatment Furnace. Efforts are continuously made to implement further new machines and technology required in the manufacturing process.</p> <p>By the updated use of technology and new machines, company has been able to successfully retain the customer’s confidence with respect to its improved production. Company is coupled with a team of qualified and skilled engineers.</p> <p>Nil</p> <p>Research and Technology and innovation continue to be one of the key focus area to drive growth. To support this, Company avails services of qualified and experienced professionals / consultants. The development work is carried by the concerned department on an ongoing basis. The expenses and cost of assets are grouped under the respective heads.</p>

(C) Foreign exchange earnings and Outgo :-The Foreign Exchange outgo and foreign exchange earned by the Company during the year is provided below:

Particulars	2018-19	2017-18
<i>Earning In Foreign Currency</i>		
Export at FOB	1178320/-	4525200
<i>Foreign exchange Outgo</i>		
I. Value of Imports on CIF basis	-----	-----
II .Expenditure in Foreign Currency (Travelling Expenses)	683192.89	548297.43

**For and on behalf of the Board
For FRONTIER ALLOY STEELS LIMITED**

S/d-
(Charan Das Bhatia)
Chairman
DIN: 00628184

Place: Kanpur Dehat
Date: 25.05.2019

Annexure “B” to Directors’ Report for the year ended 31st March, 2019

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts/ arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 the Companies Act, 2013, including arms’ length transactions under third proviso thereto:

Details of material contracts or arrangement or transactions not at arm’s length basis:

Name(s) of the related party and Nature Of Relationship	Nature of contracts/ arrangements /transactions	Duration of the Contracts/ arrangement s/ transaction s	Salient terms of the contracts or arrangements or transactions including the value, if any	Justification for entering into such contract or arrangements or transactions	Date(s) of approval by the Board,	Amount paid as advance, if any	Date on which the special resolution was passed in general meeting as required under first proviso to section 188
NIL							

Details of material contracts or arrangement or transactions at arm’s length basis:

Name(s) of the related party and Nature Of Relationship	Nature of contracts/ arrangements /transactions	Duration of the Contracts/ arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board, if any	Amount paid as advances, if any
K.L. Bhatia Relative of the Director	Rent	2 years 1 st January 2018- 31 st December 2020	Rent Agreement (15000 p.m.)	13.12.2017	-
C.D. Bhatia Director	Rent	2 years 2nd April 2017-31 st March 2019	Rent Agreement (15000 p.m.)	10 th February 2017	-
Frontier Springs limited	Purchase Job work Sale	Annually	Omnibus Approval from the Board as the transaction is done in the Ordinary Course of Business	30 th May 2018	

Frontier engineering Corporation	Purchase Job work Sale	Annually	Omnibus Approval from the Board as the transaction is done in the Ordinary Course of Business	30 th May 2018	-
NWFP Equipments Pvt. Ltd	Purchase Job work	Annually	Omnibus Approval from the Board as the transaction is done in the Ordinary Course of Business	30 th May 2018	
Further Details of the above mentioned transactions are provided in Note no. 32 of the Financial Statements which forms part of the Annual Report. Additionally the transactions so entered are done at Arm's Length Pricing.					

**For and on behalf of the Board
For FRONTIER ALLOY STEELS LIMITED**

Place: Kanpur Dehat
Date: 25.05.2019

S/d-
(Charan Das Bhatia)
Chairman
DIN: 00628184

Annexure “C” to Directors’ Report for the year ended 31st March, 2019

Form No. MGT-9

**Extracts of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies
(Management and administration) Rules, 2014**

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	U27105UP1986PLC007967
ii.	Registration Date	12/06/1986
iii.	Name of the Company	FRONTIER ALLOY STEELS LIMITED
iv.	Category / Sub-Category of the Company	Public Limited Non- Government Company/ Limited By shares
v.	Address of the Registered office and contact details	KM 25/5 & 6, Kalpi Road, Rania, Kanpur Dehat- 209304, Contact No. : 9839361914
vi.	Whether listed company	No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	N.A.
Viii	Website	www.frontieralloy.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

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

SINO.	NAME AND DESCRIPTION of main products/Services	NIC Code of the Product/ Service	% to total turnover of Company
1	Manufacturing Railway Parts & Components	30204	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

SINO.	Name and Address of Company	CIN/GLN	HOLDING/SUBSIDIARY/ ASSOCIATE	% OF SHARE HELD	APPLICABLE SECTIONS
NIL					

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF		8398798	8398798	98.71	0	8428598	8428598	99.06	0.35
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	-	-	-	-	-	-	-	-	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other...	-	-	-	-	-	-	-	-	-
Sub-total (A)(1):-	0	8398798	8398798	98.71	0	8428598	8428598	99.06	0.35
(2) Foreign									
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):-	0	0	0	0	0	0	0	0	0
		-							
Total shareholding of Promoter (A)=(A)(1)+(A)(2)	0	8398798	8398798	98.71	0	8428598	8428598	99.06	0.35
B. Public									
Shareholding									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt. (s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share		79900	79900	0.94	-	79900	79900	0.94	

capital up to Rs.1 Lakh									
ii)Individual shareholders holding nominal share capital in excess of Rs 1 Lakh	0	29800	29800	0.35	-	-	-	-	(0.35)
c)Others	-	-	-	-	-	-	-	-	-
Sub-Total (B) (2)	0	109700	109700	1.29	-	79900	79900	0.94	(0.35)
Total Public Shareholding(B)=(B)(1)+(B)(2)	0	109700	109700	1.29	-	79900	79900	0.94	(0.35)
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	0	8508498	8508498	100	0	8508498	8508498	100	0

(ii) Shareholding of Promoters

SI NO	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in share holding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/ encumbered to total shares	
1	Charan Das Bhatia	566135	6.65	-	366135	4.30	-	-2.35
2	Sushma Bhatia	512830	6.03	-	512830	6.03	-	
3	C.D. Bhatia HUF	194065	2.28	-	194065	2.28	-	
4	Poonam Bhatia	10000	0.12	-	10000	0.12	-	
5	Renu Bhatia	10000	0.12	-	10000	0.12	-	
6	Kundan Lal Bhatia	729525	8.57	-	729525	8.57	-	
7	Shyama Bhatia	35530	0.42	-	265330	3.12	-	+2.7
8	K.L. Bhatia HUF	106165	1.25	-	106165	1.25	-	
9	Subhash Chandra Bhatia	765250	8.99	-	765250	8.99	-	
10	S.C. Bhatia HUF	17675	0.21	-	17675	0.21	-	
11	Reshma Bhatia	250	0.002	-	250	0.0029	-	
12	Gauri Bhatia	23000	0.27	-	23000	0.27	-	
13	Mughda Bhatia	11050	0.13	-	11050	0.13	-	
14	Sharda Bhatia	196475	2.31	-	196475	2.31	-	
15	Shikha Bhatia	7800	0.09	-	7800	0.09	-	
16	Neeraj Bhatia	13000	0.15	-	13000	0.15	-	
17	Chetan Bhatia	788040	9.26	-	788040	9.26	-	
18	Sonia Bhatia	16925	0.20	-	766925	9.01	-	+ 8.81
19	Chetan Bhatia HUF	107375	1.26	-	107375	1.26	-	
20	Sana Bhatia Beneficiary Trust	14100	0.17	-	14100	0.17	-	
21	Akshita Bhatia Beneficiary Trust	14000	0.16	-	14000	0.16	-	
22	Sana Bhatia Marriage Beneficiary Trust	14100	0.17	-	14100	0.17	-	
23	Akshita Bhatia Marriage Beneficiary Trust	14100	0.17	-	14100	0.17	-	
24	Manu Bhatia	808168	9.50	-	808168	9.50	-	
25	Preeti Bhatia	19325	0.23	-	819325	9.63	-	+ 9.40
26	Manu Bhatia HUF	92425	1.09	-	92425	1.09	-	
27	Chandan Bhatia	1584240	18.62	-	784240	9.22	-	- 9.40
28	Priya Bhatia	823425	9.68	-	823425	9.68	-	
29	Chandan Bhatia HUF	91825	1.08	-	91825	1.08	-	
30	Kushagra Bhatia Beneficiary Trust	6500	0.08	-	6500	0.08	-	
31	Kushagra Bhatia Marriage Beneficiary Trust	16500	0.19	-	16500	0.19	-	
32	Puran Chand Bhatia	26000	0.31	-	26000	0.31	-	
33	Kapil Bhatia	13000	0.15	-	13000	0.15	-	
34	Akshita Bhatia	375000	4.41	-	0	0	-	- 4.41
35	Sana Bhatia	375000	4.41	-	0	0	-	- 4.41
Total		8398798	98.71		8398798	99.06		+0.35

iii. Change in Promoter's Shareholding: There is change during the year.

Sr. No.	Name of the Shareholder	Shareholding at the Beginning of the Year		Date Wise Change in the Shareholding			Cumulative share holding during the year	Shareholding at the End of the Year	
		No. of Shares	% of total Shares of the Company	Date	Reason	Increase/ Decrease in the shareholding		No. of Shares	% of total Shares of the Company
1.	CD Bhatia	566135	6.65	30.05.2018	Transfer	-200000	366135	366135	4.30
2.	Chandan Bhatia	1584240	18.62	30.05.2018	Transfer	-800000	784240	784240	9.22
3.	Akshita Bhatia	375000	4.41	30.05.2018	Transfer	-375000	0	0	0
4.	Sana Bhatia	375000	4.41	30.05.2018	Transfer	-375000	0	0	0
5.	Shyama Bhatia	35530	0.42	30.05.2018	Transfer	+200000	235530	235530	2.77
				01.10.2018	Transfer	+29800	265330	265330	3.12
6.	Preeti Bhatia	19325	0.23	30.05.2018	Transfer	+800000	819325	819325	9.63
7.	Sonia Bhatia	16925	0.20	30.05.2018	Transfer	+375000	391925	766925	9.01
				30.05.2018	Transfer	+375000	766925		

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

SN	Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	DAS SHYAM GHAN				
	At the beginning of the year	10,000	0.11	10,000	0.11
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	10,000	0.11	10,000	0.11
2	PATEL I CHANDRAKANT				
	At the beginning of the year	2000	0.02	2000	0.02
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	2000	0.02	2000	0.02
3	PATEL C SHOBHANABEN				
	At the beginning of the year	2000	0.02	2000	0.02
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	2000	0.02	2000	0.02
4	PATEL C JAYKUMAR I HASHMUK				
	At the beginning of the year	2000	0.02	2000	0.02
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	2000	0.02	2000	0.02
5	PATEL BHAI I HASHMUK				
	At the beginning of the year	2000	0.02	2000	0.02
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-

	At the end of the year	2000	0.02	2000	0.02
6	PATEL H NIDHIBEN				
	At the beginning of the year	2000	0.02	2000	0.02
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	2000	0.02	2000	0.02
7	PATEL I KAMALABEN				
	At the beginning of the year	2000	0.02	2000	0.02
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	2000	0.02	2000	0.02
8	PATEL BHAI J ISHWER				
	At the beginning of the year	2000	0.02	2000	0.02
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	2000	0.02	2000	0.02
9	PATEL C KHYATIBEN				
	At the beginning of the year	2000	0.02	2000	0.02
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	2000	0.02	2000	0.02
10	PATEL KUMAR H ARPIT				
	At the beginning of the year	2000	0.02	2000	0.02
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)	-	-	-	-
	At the end of the year	2000	0.02	2000	0.02

v) Shareholding of Directors and Key Managerial Personnel:

S.No	Name	Shareholding at the beg of the Year		Date wise change in shareholding			Cumulative Shareholding during the Year		Shareholding at the end of the year	
		<u>No of Shares</u>	<u>% of holding</u>	<u>Date</u>	<u>Increase/Decrease in shareholding</u>	<u>Reason</u>	<u>NO of shares</u>	<u>% of holding</u>	<u>No. of shares</u>	<u>% of holding</u>
1	Mr. Chetan Bhatia	788040	9.26				788040	9.26	788040	9.26
2	Mr. CD Bhatia	566135	6.65	30.05.2018	-200000	Transfer	366135	4.30	366135	4.30
3	Mr. Chandan Bhatia	1584240	18.62	30.05.2018	800000	Transfer	784240	9.22	784240	9.22
4	Mr. Manu Bhatia	808168	9.50				808168	9.50	808168	9.50
5	Mr. SC Bhatia	765250	8.99				765250	8.99	765250	8.99
6	Mr. Om Prakash Ahuja	No Shares held in the Company								
7	Mr. PM Gupta	No Shares held in the Company								
8	Mr. Yashpal	No Shares held in the Company								
9	Mr. Ramesh Narayan Trivedi	No Shares held in the Company								
11	Mrs. Sonia Bhatia	16925	0.20	30.05.2018	375000	Transfer	391925	4.61	391925	4.61
				30.05.2018	375000	Transfer	766925	9.01	766925	9.01
12	Mrs. Priya Bhatia	823425	9.68				823425	9.68	823425	9.68
13	Mrs. Preeti Bhatia	19325	0.23	30.05.2018	800000	Transfer	819325	9.63	819325	9.63
14	Ms. Mallika Gupta	No Shares held in the Company								

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (Rs. In Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	413.48	404.75	-	818.23
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2.33	10.37	-	12.7
Total (i+ii+iii)	415.81	415.12	0	830.93
Change in Indebtedness during the financial year				
<input type="checkbox"/> Addition(+)	357.29	12	-	369.29
<input type="checkbox"/> Reduction(-)	-209.81	-427.12	-	-636.93
Net Change	147.48	-415.12	0	-267.64
Indebtedness at the end of the financial year				
i) Principal Amount	563.29	0	-	563.29
ii) Interest due but not paid	-	-	-	0
iii) Interest accrued but not due	2.51	-	-	2.51
Total (i+ii+iii)	565.8	0	0	565.8

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. In Lacs)

Sl. No.	Particulars of Remuneration	Mr. Chetan Bhatia	Mr. Chandan Bhatia	Mr. Manu Bhatia	Mr. Charan Das Bhatia	Mr. Subhash Chandra Bhatia	Mrs. Sonia Bhatia	Mrs. Priya Bhatia	Mrs. Preeti Bhatia	Total
		(Managing Director)	(Whole time Director)	(Whole time Director)	(Director)	(Director)	(Whole time Director)	(Director)	(Whole time Director)	
1	Gross salary									
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	205.20	205.20	205.20	60.00	60.00	132.00	132.00	132.00	1131.60
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	19.27	19.10	19.27	13.05	13.07	15.40	15.40	15.40	129.97
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-	-	-	-	-	-
2	Stock Option	-	-	-	-	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-	-	-	-	-
4	Commission									-
	- as % of Profit	21.19	21.19	21.19	-	-	-	-	-	63.57
5	Others, please specify (statutory payments)*	-	-	-	-	-	-	-	-	-
	- Provident Fund	2.4	2.4	2.4	0	0	1.8	2.4	1.8	13.20
	- Accrued Leave Encashment	17.69	15.92	15.92	5.00	3.08	8.46	7.62	7.62	81.31
	Total (A)	265.76	263.81	263.99	78.05	76.15	157.66	157.42	156.82	1419.65
	Ceiling as per Act	Gross Remuneration paid to the Directors are within the overall ceiling limit as prescribed under Schedule V of the Companies Act 2013.								

B. Remuneration to other directors: (Rs. In Lacs)

SI No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Yashpal	Mr. Prem Mohan Gupta	Mr. Ramesh Narayan Trivedi	
	Independent Directors <ul style="list-style-type: none"> Fees for attending board/committee meeting Commission Others, please specify 	0.95	0.95	0.95	2.85
	Total Managerial Remuneration	0.95	0.95	0.95	2.85
	Overall Ceiling as per the Act	The Sitting fees payable to the Non Executive Directors is within the overall ceiling limit as prescribed under the Companies Act 2013			

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

(Rs. In Lacs)

SI No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Ms. Mallika Gupta (Company Secretary)	CFO	Total
1.	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income tax Act, 1961	-	5.25	-	5.25
2.	Stock Option	-	-	-	-
3.	Sweat equity	-	-	-	-
4.	Commission - as % of profit - others, specify	-	-	-	-
5.	Others, please specify	-	-	-	-
	Total	-	5.25	-	5.25

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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

**For and on behalf of the Board
For FRONTIER ALLOY STEELS
LIMITED**

Place: Kanpur Dehat
Date : 25.05.2019

S/d-
(Charan Das Bhatia)
Chairman
DIN: 00628184

FRONTIER ALLOY STEELS LIMITED

CORPORATE SOCIAL RESPONSIBILITY POLICY

INTRODUCTION

- **“Frontier Alloy Steels Limited”** is a manufacturing Company that deals specifically into manufacturing of Railway Parts and Components. The Company has been serving the Indian Railways since 1986. One of the critical elements to our success is delivering Quality Products to our Customers and we take pride in ourselves for having the ability to stand out as a leader in this area. The Company manufactures Railway couplers, Bogies, etc.
- Frontier Alloy Steels Limited was incorporated in the year 1986 and the Company has been serving the best possible quality control infrastructure since last 30 Years to the Indian Railways. It has been the topmost priority of all concerned, to preserve the highest quality standards with highly competitive price structure, to ensure on time deliveries and customer satisfaction.
- Frontier’s projects not only help the Indian Railway in many ways but it also aids the Indian Economy to grow faster. Our Company is committed not just to profits, but also towards leaving a deeper imprint in the society as a whole.

CHAIRMAN’S MESSAGE

- **“Frontier Alloy Steels limited, believes that Oneness with the Society is an important ingredient for growth and development and our vision for the society paves out way for our CSR Initiatives.”**

**Mr. Charan Das Bhatia
Chairman**



***** This revised policy has been adopted by the Board Of Directors of Frontier Alloy Steels Limited at its meeting held on May 30, 2018 and this policy is applicable on all Directors- Executive and Non Executive Directors and to Senior management also.*****

Corporate Social Responsibility is an integral part of everything that we do. Throughout the years we have focused on our values, reducing the impact on the environment and being engaged with our communities. Corporate Social responsibility is instilled in our Vision, our strategies and management goals.

Our Corporate CSR initiatives go far beyond compliance and promote positive impact on the Environment and Society both internal and external. Our vision is to continue to be an environmentally responsible organization making continuous improvements in the management of the environment.

These are all very much a part of the vision that forms the foundation of our Corporate Mission: a symbiotic relationship...which is in our DNA.

OUR CSR OBJECTIVE

Corporate Social Responsibility is the continuous and constant practice of serving the community selflessly and giving back to the society by which we are sustaining. Growth of a Company not only depends upon the efforts made by directors, management and employees but also upon the environment where it carries out its commercial activities. It is the moral duty of the Company to contribute something for the development of the society.

The objective and purpose of this policy are:

- To set guiding principles for carrying out CSR activities by the Company and also to set up process of execution/implementation and monitoring of the CSR activities to be undertaken by the Company.
- To enhance value creation in the society and in the community in which it operates, through its services, conduct & initiatives, so as to promote sustained growth for the society and community, in fulfillment of its role as a Socially Responsible Corporate, with environmental concern.

“Frontier Alloy Steels Limited also works on abovementioned principles not only in letter but in spirit.”

DEFINITIONS

The terms defined in this CSR Policy shall have the meanings herein specified and terms not defined shall have the meanings as defined in the Companies Act, 2013 and Companies (Corporate Social Responsibility) Rules, 2014 including any statutory modification or re-enactment thereof.

“ACT” means the Companies Act, 2013 including any statutory modification or re-enactment thereof.

“AVERAGE NET PROFIT” means profit calculated as per Section 198 of the Companies Act, 2013.

“BOARD” means the Board of Directors of the Company.

“BOARD’S REPORT” shall mean report of the Board of Directors prepared in accordance with Section 134(3) of the Companies Act, 2013.

“COMPANY” means FRONTIER ALLOY STEELS LIMITED.

“CSR” means Corporate Social Responsibility.

“CSR ACTIVITIES” means the activities or projects or programmes as recommend by the CSR committee and approved by the Board, undertaken by the Company from time to time in any one or more of the areas falling under the schedule VII of the Companies Act, 2013.

“CSR COMMITTEE” means the Committee of the Board constituted under Section 135 of the Act for the purpose of administration of CSR activities, supervising the adherence of this CSR policy and the matter incidental thereto.

“CSR POLICY” means the corporate social Responsibility as set out herein and as amended or modified from time to time.

“CSR RULES” means Companies (Corporate Social Responsibility) Rules, 2014.

“INDEPENDENT DIRECTOR” means a non- executive Director of the Company within the meaning of Section 2(47) of the Companies Act, 2013.

“NET PROFIT” means the net profit of the Company as per its financial statement prepared in accordance with the applicable provisions of the Act but shall not include the following namely:

- any profit arising from any overseas branch or branches of the Company, whether operated as a Separate Company or otherwise; and

- Any dividend received from other Companies in India, which are covered under and complying with the provisions of Section 13 of the Act.

CSR MANAGEMENT COMMITTEE

Every Company having Net Worth of Rupees Five Hundred Crore or More, or Turnover of Rupees One Thousand Crore or More or a Net Profit of Rupees Five Crore or more during the immediately preceding financial year shall constitute a Corporate Social Responsibility Committee of the Board.

- The CSR committee shall consist of three or more directors, out of which at least one Director shall be an Independent director.
- The Board of Directors reconstituted the Committee on May 30, 2018 comprising of following members:

S.NO	NAME	DESIGNATION	CATEGORY
1	Mr. Manu Bhatia	Whole Time Director	Chairperson
2	Mr. Chetan Bhatia	Managing Director	Member
3	Mr. YashPal	Independent Director	Member
4	Mr. Ramesh Narayan Trivedi	Independent Director	Member
5	Mr. Prem Mohan Gupta	Independent Director	Member

- The Board of Directors shall have the power to reconstitute the Committee to make it in line with the provisions of the Companies Act 2013.

ROLE/RESPONSIBILITIES OF THE CSR MANAGEMENT COMMITTEE

The Corporate Social Responsibility committee shall:

- Review the proposals for CSR projects/programs/activities received from various locations;
- Approve proposals for various CSR projects/programs/activities
- Identify the projects/activities to be undertaken by the Company for CSR
- Recommend to the Board CSR Activities to be undertaken along with detailed plan, modalities of execution, implementation schedule, monitoring process and amount to be incurred on such activities
- Monitor the CSR Policy of the Company from time to time
- Ensure compliance of CSR Policy and the Rules
- Such other functions as may be delegated and/or assigned by the Board from time to time

CSR ACTIVITIES

As part of the CSR program, the company is presently engaged in several projects which are socially relevant and demanding in the locality surrounding its corporate office area and other locations where the company has branches or other place of business. In order to achieve the above principles, and as per section 135 read with schedule VII of the Companies Act, 2013, Frontier Alloy Steels Limited shall undertake the Corporate Social Responsibility (CSR) Activities particularly in the following areas and expenditure towards one or more of the below mentioned activities, on continuous basis, shall be the “Frontier Alloy Steels Limited Corporate Social Responsibility Policy.”

- Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government for the promotion of sanitation and making available safe drinking water
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups
- Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agroforestry, conservation of natural resources and maintaining quality of soil, air and water including contribution to the Clean Ganga Fund set-up by the Central Government for rejuvenation of river Ganga;
- Protection of National Heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;

- Measure for the benefit of armed force veterans, war widows and their dependents
- Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympics sports;
- Contribution to the prime minister's National Relief Fund or any other fund set up by the central government for socio-economic development and relief and welfare of the Scheduled Castes, the Schedule Tribes, other backward classes, minorities and women;
- Contributions or funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- Rural Development projects
- Slum area development

CSR EXPENDITURE

- As per the provisions of the Companies Act 2013, the Board shall ensure that the Company spends in every Financial Year, at least 2% of the average net profits of the Company made during the three immediately preceding financial Years.
- CSR committee shall recommend the amount of expenditure project wise to be incurred annually to the Board for its consideration and approval.

“Any surplus arising out of the CSR projects/programs/activities will not form part of the business profit of the Company and shall be reused for CSR purpose only.”

MONITORING THE CSR POLICY

Board of Directors of the Company should review the Implementation of CSR with the suggestion of the Committee from time to time basis. CSR initiatives of the Company will also be reported in the Annual Report of the Company.

REPORTING

The Board's Report of the Company shall include the following particulars:

- A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken.
- The Composition of the CSR Committee.
- Average Net profit of the Company for last three Financial Years.

DOCUMENTATION

- Members of the CSR Committee will be provided Agenda along with the required briefing materials.
- CSR Committee meetings will be documented and minutes provided to its members.
- Minutes shall be entered in the Minutes Book within 30 days from the date of conclusion of the meeting.
- Minutes of the meeting shall be signed and dated by the Chairman of the Meeting or by the Chairman of the next meeting.

AMENDMENT TO THE POLICY

- The CSR Committee shall review and may amend this policy from time to time subject to the approval of the Board of Directors of the Company.
- In case of any amendments or modification in any of the applicable laws, regulations, the Committee shall subject to the approval of Board of Directors amend its policy to make it consistent with the applicable statutory requirements.

FRONTIER ALLOY STEELS LIMITED

CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

“**Frontier Alloy Steels Limited**” considers the social and environmental aspects of any business idea in addition to the economic aspects. Frontier has been a part of the CSR Initiative of our Government since 2015. The very first step taken by us towards CSR was donating a sum of Rs. 15 Lakh to the Prime Minister’s National Relief fund keeping in mind the massive widespread help it would do at the times of Contingencies.

Corporate social responsibility is no longer defined as charity, but by its overall involvement in activities that improve the quality of people’s lives. Subsequently, we realized that our niche for innovation would do betterment in the Society. Consequently in the year 2017, **Frontier Alloy joined hands with the IIT-Kanpur for promotion of Technology Research and Development.** We provided IIT-Kanpur with a sum of **Rs. 19,12,000/-** towards promotion of Education and Research during the year 2018-19 under a 3 year MOU programme.

Our collaboration with IIT-Kanpur resulted in development of a **Non-Electric Water Filter.** Drinking Water is the basic necessity for every individual, but taking a view at the enormous water pollution, all the citizens are not blessed with the clean drinking water. Thus we installed a Water plant in Ajgain, Unnao District which is today providing the villagers with good quality drinking water which is free from all the viruses, pathogens and bacteria’s with zero electricity consumption and minimal wastage of water.

“Electric Water Plant fitted at in Ajgain, Unnao District which is today providing the villagers with good quality drinking water”



Education is another critical factor that should be considered in the designing the corporate social responsibility programs. Basic education is widespread, but opportunities for learning continue to elude many. The Company has adopted a School in the labour Colony in Shastri Nagar area of Kanpur named as Shakti Seva Dal Inter College. We contributed a sum of Rs 1,83,500 for Promotion of Education and Infrastructural Development of the School. The School is being revamped under our initiatives as CSR. The main intention behind adopting the school was to provide our future generation with a conducive environment to study and grow. We are continually striving to ensure that more number of out-reach children can have the privilege and the opportunity to study. Further we spent Rs. 12,912 to purchase 132 pair of shoes to distribute the same to the children studying in Shakti Seva Dal Inter College.



Apart from the societal growth, as a responsible citizen of our Country, During the year 2018-19, The company contributed Rs. 5,00,000/- towards BHARAT KE VEER. **Bharat Ke Veer** is a fund-raising initiative by the **Ministry of Home Affairs, Government of India** on behalf of members of the Indian paramilitary Forces. The initiative was launched by Home Minister **Rajnath Singh**. **Bharat Ke Veer corpus** is managed by a committee made up of eminent persons of repute and senior government officials, in equal number, who would decide to disburse the fund equitably to the bravehearts family on need basis. Thus our contributions will directly reach the Armed Forces who fight for us at the Borders.



Further, the Company has also made a contribution amounting to Rs. 1,00,000/- towards National Defense Fund. The fund was setup in the year 1962 to take charge of voluntary donations and is used for the welfare of the members of the Armed Forces (including Para Military Forces) and their dependents. Frontier is a proud supporter of INDIAN NATIONAL ARMY and we truly appreciate their efforts for the Country.



As a step towards sustainable development and righteous ecological balance and animal welfare, our Director Shri Chandan Bhatia, contributed an Ambulance to SPCA Nahan (Society for Prevention of Cruelty to Animals) for a sum of Rs. 4,06,348/-. SPCA is pioneer for animal welfare in Himachal Pradesh. The organization has the aim to alleviate animal suffering and promote their welfare. Further we have paid Rs. 1 lakh towards Chief Minister's Relief Fund, Himanchal Pradesh

"Shri Chandan Bhatia Donating an Ambulance to SPCA at our Paonta Sahib Unit"



Annexure “F” to Directors’ Report for the year ended 31st March, 2019

Annual Report on Corporate Social Responsibility (CSR) Activities

1. Corporate Social Responsibility is an integral part of everything that we do. Corporate Social Responsibility is embedded in our culture. CSR Committee of the Company has decided to spend the amount of CSR areas as mentioned in its CSR Policy. The policy has been placed on the Website of the Company, the Link for the same is

2. Composition of the CSR Committee:

S.NO	NAME	DESIGNATION	CATEGORY
1	Mr. Manu Bhatia	Whole Time Director	Chairperson
2	Mr. Chetan Bhatia	Managing Director	Member
3	Mr. YashPal	Independent Director	Member
4	Mr. Ramesh Narayan Trivedi	Independent Director	Member
5	Mr. Prem Mohan Gupta	Independent Director	Member

3. Average net profit of the Company for last three financial years: Rs. 16,32,35,070.16

4. Prescribed CSR Expenditure (two percent of the amount as in item 3 above): Rs. 32,64,701.40

5. Details of CSR spend for the financial year:

A. Total amount spent for the financial year: Rs. 32.65 Lacs

B. Amount unspent out of the budgeted, if any: Nil

C. Manner in which the amount spent during the financial year is detailed below:

Sr. No	Project / Activities	Sector (Payment made to)	Location	Amount Budgeted (Rs)	Amount Spent (Rs)	Cumulative Spent upto Reporting period (Lacs)	Amount Spent: Direct or through Implementing Agency
1	IIT-Kanpur (for promotion of Education and research)	Government	Kanpur	32.65	1912000	19.12	Direct
2	Shakti Sewa Dal Inter College	Private School	Kanpur		83500	0.84	Direct
3	Nikhil Seva Samiti				100000	1.00	Direct
4	Rupani Footcare Pvt Ltd.				12912	0.12	Direct
5	Yog Kshem Sewa Nyas (Awadh Prant)	Ved Vidyapeeth	Kanpur		50000	0.50	Direct
6	National Defence Fund	Government	-		100000	1.00	Direct
7	Bharat Ke Veer	Government	-		500000	5.00	Direct
8	SPCA Nahan (Society for Prevention of Cruelty to Animals)	NGO	Dist Sirmour, Nahan H.P.		406348	4.06	Direct
9	Chief Minister’s Relief Fund	Government	Himanchal Pradesh		100000	1.00	Direct
Total				32.65	3264760	32.65	

In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report-

The Company has spent entire amount of CSR.

6. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with CSR objectives and policy of the Company-

Yes, the CSR Committee affirms that the expenditure incurred is in compliance with CSR objectives and policy of the Company.

S/d-

S/d-

Place: Kanpur
Date : 25.05.2019

(Chetan Bhatia)
Managing Director

(Manu Bhatia)
Chairman of CSR
Committee

