



Board of Directors:

Mr. V. G. Raghavan
Mr. N. B. Vyas
Mr. S. M. Lodha

Company Secretary:

Ms. Priyanka M. Oka

Auditors:

J. S. Bhatia and Co.
Chartered Accountants
14/15, Ashoka Centre,
2nd Floor, Lokmanya Tilak
Marg, Mumbai - 400 001
Tel. No.+91 22 2267 5066/
2267 5067
Fax: +91 22 2269 2994
Email: jaipalbhatiaca@yahoo.co.in

Banker:

State Bank of Mysore
Dena Bank

Registered & Corporate Office:

Essar House,
11, K. K. Marg,
Mahalaxmi,
Mumbai - 400 034
Tel. No. +91 22 6660 1100/
4001 1100
Fax: +91 22 6666 9426
Visit us at www.essar.com

Registrar and Transfer Agent:

Sharex Dynamic (India) Pvt. Ltd.
17/B, Dena Bank Building,
2nd Floor, Horniman Circle,
Fort, Mumbai - 400 001
Tel No. +91 22 2264 1376/
2270 2485
Fax: +91 22 2264 1349
Email: investor@sharexindia.com

Frontier Leasing & Finance Limited

Regd. Off.: Essar House, 11, K. K. Marg, Mahalaxmi, Mumbai - 400 034

NOTICE

Notice is hereby given that the Twenty Sixth Annual General Meeting of the members of Frontier Leasing & Finance Limited will be held on Thursday, September 30, 2010 at 11.00 a.m. at Essar House, 11, K. K. Marg, Mahalaxmi, Mumbai - 400 034 to transact the following business -

As an ordinary business:

1. To consider and adopt the Balance Sheet as at March 31, 2010, Profit and Loss Account for the year ended on that date, the Report of the Directors' and Auditors' thereon.
2. To appoint Nisar and Kumar, Chartered Accountants, as Statutory Auditors of the Company and to fix their remuneration.

As a special business:

3. To consider and if thought fit, to pass with or without modification(s), the following resolution, as an ordinary resolution -

"Resolved that Mr. N. B. Vyas, who was appointed as an Additional Director of the Company by the Board of Directors and who holds office up to the date of this Annual General Meeting in terms of section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice under section 257 of the Companies Act, 1956 in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation".

4. To consider and if thought fit, to pass with or without modification(s), the following resolution, as an ordinary resolution -

"Resolved that Mr. V. G. Raghavan, who was appointed as an Additional Director of the Company by the Board of Directors and who holds office up to the date of this Annual General Meeting in terms of section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice under section 257 of the Companies Act, 1956 in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation".

5. To consider and if thought fit, to pass with or without modification(s), the following resolution, as an ordinary resolution -

"Resolved that Mr. S. M. Lodha, who was appointed as an Additional Director of the Company by the Board of Directors and who holds office up to the date of this Annual General Meeting in terms of section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice under section 257 of the Companies Act, 1956 in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company liable to retire by rotation".

Frontier Leasing & Finance Limited

Regd. Off.: Essar House, 11, K. K. Marg, Mahalaxmi, Mumbai - 400 034

Notes:

1. A member entitled to attend and vote at the Annual General Meeting ("the Meeting") is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, September 28, 2010 to Thursday, September 30, 2010 (both days inclusive).
3. Members/Proxies should bring their attendance slips alongwith their copy of the annual report to the Meeting. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution/Power of Attorney authorising their representative to attend and vote on their behalf at the Meeting.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Members holding shares in physical form are requested to notify any change in their address to the Company's Registrar & Transfer Agent, Sharex Dynamic (India) Private Limited, Unit no. 1, Luthra Ind. Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai - 400 072. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts.
6. Members desiring any information as regards the accounts are requested to write to the Company at least 7 days before the date of the Meeting as to enable the management to keep the information ready.

By Order of the Board

Priyanka M. Oka

Priyanka M. Oka
Company Secretary

Registered Office:

Essar House,
11, K. K. Marg,
Mahalaxmi,
Mumbai - 400 034

Date: September 6, 2010
Place: Mumbai

Frontier Leasing & Finance Limited

Regd. Off.: Essar House, 11, K. K. Marg, Mahalaxmi, Mumbai - 400 034

Explanatory Statement as required under section 173 (2) of the Companies Act, 1956:

Item no.3 to 5:

With a view to change in management of the Company, the Board of the Company was revamped with the appointment of new Directors from the Essar Group. Mr. N. B. Vyas on May 17, 2010 and Mr. V. G. Raghavan and Mr. S. M. Lodha on August 12, 2010 were co-opted as Additional Directors of the Company.

Pursuant to provisions of section 260 of the Companies Act, 1956 (hereinafter referred to as "the Act"), they hold office up to the date of this Annual General Meeting.

The Company has received requisite notices in writing from member, proposing their candidatures to the office of Director of the Company under the provisions of section 257 of the Act.

Your Directors recommend the ordinary resolutions set out at Item no. 3 to 5 of the accompanying notice, for your approval. Mr. V. G. Raghavan, Mr. N. B. Vyas and Mr. S. M. Lodha may be concerned or interested in passing of the resolutions stated in item no. 3 to 5.

By Order of the Board

Priyanka M. Oka

Priyanka M. Oka
Company Secretary

Registered Office:

Essar House,
11, K. K. Marg,
Mahalaxmi,
Mumbai - 400 034

Date: September 6, 2010

Place: Mumbai

Frontier Leasing & Finance Limited

Regd. Off.: Essar House, 11, K. K. Marg, Mahalaxmi, Mumbai - 400 034

DIRECTORS' REPORT

Dear Shareholders,

Your Directors take pleasure in presenting the Twenty Sixth Annual Report of the Company, together with the Audited Accounts thereon for the year ended 31st March, 2010.

1. Financial Results:

Particulars	For the Year ended on 31 st March, 2010 (in ₹)	For the Year ended on 31 st March, 2009 (in ₹)
Currents Year's Loss	(287,991)	(113,918)
Less: Provision for Taxation		
• Current Tax	-	-
• Deferred Tax	30,288	26,464
Profit / (loss) After Taxation	(257,703)	(87,454)
Add: Balance Brought Forward from Last Year	2,274,606	2,362,060
Balance carried forward to the Balance Sheet	2,016,903	2,274,606

2. Change in Management & Operations:

Essar Capital Finance Private Limited, an Indian Company belonging to Essar Group (hereinafter referred to as "ECFPL") had entered into an Agreement with the promoters of your Company, for acquisition of 62.63% of the equity capital of the Company at a negotiated price of ₹30/- per share.

Consequently, as required under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997, ECFPL made an open offer for acquisition of further 20% of equity capital of the Company at a price of ₹30/- per share, to the shareholders of the Company. By closure of this open offer, additional 9.45 % of the equity capital of the Company had been acquired by ECFPL.

With new management in place, it is proposed to acquire the Finance Undertaking from India Securities Limited ("ISL"), an Indian Company, on going concern basis. The terms and conditions of this acquisition would be determined after receipt of necessary approvals by ISL and the Company. The Finance Undertaking mainly comprises of financing of commercial vehicles. The proposed business is in accordance with the "future plans" as contained in the Letter of Offer issued by the new Promoters of the Company at the time of Open Offer process.

The Company continues to be a Non Banking Financial Company (not accepting public deposits).

Frontier Leasing & Finance Limited

Regd. Off.: Essar House, 11, K. K. Marg, Mahalaxmi, Mumbai - 400 034

Director's Report contd..

3. Dividend:

In view of losses, your Directors do not recommend any dividend for the year.

4. Directors:

The Board at its meeting held on 17th May, 2010 appointed Mr. N. B. Vyas as an Additional Director in accordance with section 260 of the Companies Act, 1956 and article 86 of the Articles of Association of the Company.

Furthermore, w.e.f. 12th August, 2010, Mr. V. G. Raghavan and Mr. S. M. Lodha has been appointed on the Board as an Additional Directors of the Company in accordance with section 260 of the Companies Act, 1956 and article 86 of the Articles of Association of the Company.

Mr. Vijay Sawant, Mr. Vaibhav Sawant and Mrs. Sheela Sawant, who has been on the Board of the Company since December 15, 2007, stepped down from the Board of Directors with effect from August 12, 2010. The Directors place on record place on record their appreciation for the valuable services rendered by Mr. Vijay Sawant, Mr. Vaibhav Sawant and Mrs. Sheela Sawant, during their tenure as Directors of the Company.

5. Auditors:

M/s. J. S. Bhatia & Co., Chartered Accountants, statutory auditors of the Company has tendered their resignation as statutory auditors of the Company. Subsequently, it is proposed to appoint Nisar and Kumar, Chartered Accountants, as the statutory auditors of the Company for the financial year 2010-2011. The Company has received special notice within the meaning of section 225(1) of the Companies Act, 1956, from a member proposing to appoint Nisar and Kumar, Chartered Accountant as Statutory Auditors of the Company.

Nisar and Kumar have communicated their consent and confirmation that their appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956. No representation referred to in section 225(3) of the Companies Act, 1956 has been received from the retiring auditors.

Accordingly, the members' approval is being sought to their appointment as the Statutory Auditors of the Company at the ensuing Annual General Meeting.

There are no audit qualifications/adverse remarks in the Auditors Report to the shareholders on the Accounts of the company for the year ended March 31, 2010.

6. Registered Office:

For the sake of administrative and managerial convenience, the registered office of the Company was shifted from 21,22 2nd Floor, Arsa Shopping Centre, S. V.

Frontier Leasing & Finance Limited

Regd. Off.: Essar House, 11, K. K. Marg, Mahalaxmi, Mumbai - 400 034

Director's Report contd

Road, Andheri(West), Mumbai - 400 058 to Essar House, 11, K. K. Marg, Mahalaxmi, Mumbai - 400 034.

7. Holding Company:

During the current financial year, your Company became a subsidiary of Essar Capital Finance Private Limited, an Indian Company.

8. Corporate Governance Report:

The provisions related with the corporate governance pursuant to clause 49 of the Listing Agreement are not applicable to the Company. However, as a measure of good governance, the Company complies with most of the requirements specified under clause 49.

9. Director's Responsibility Statement:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956 your Directors state:

- that in the preparation of the annual accounts for the financial period ended 31st March, 2010, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year under review;
- that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the Directors had prepared the accounts for the financial period ended 31st March, 2010 on a going concern basis.

10. Conservation of energy, technology absorption, foreign exchange earnings and outgo:

Information pertaining to section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Directors) Rules, 1988 with respect to conservation of energy, technology absorption may be treated as NIL since your Company is not a manufacturing Company. As regards Foreign

Frontier Leasing & Finance Limited

Regd. Off.: Essar House, 11, K. K. Marg, Mahalaxmi, Mumbai - 400 034

Director's Report contd

Exchange earnings, the Board wishes to state that there has been no inflow or outflow of foreign exchange earnings.

11. Public Deposits

During the year under review, the Company has neither invited nor accepted any deposits from the public and there are no unclaimed deposits lying with the Company as on March 31, 2010.

12. Particulars of Employees:

The disclosures as required under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended, is not required as there are no employees covered by it.

13. Acknowledgement:

Your Directors wish to place on record their gratitude for the co-operation and assistance received from the banks, shareholders and various departments of Central and State Governments and thank them for their continued cooperation and support.

By Order of the Board


Director


Director

Date: 06/09/2010

Place: Mumbai

Persons constituting 'group' coming within the definition of 'group' for the purpose of Regulation 3(1)(e)(i) of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 include the following -

Sr. No.	Name of the Person
1	Essar Capital Finance Private Limited
2	Essar Capital Holdings (India) Limited
3	Mr. A. S. Ruia

AUDITOR'S REPORT

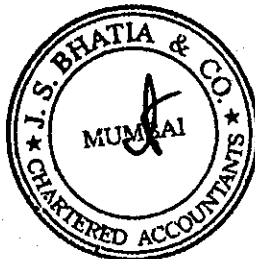
We have audited the attached Balance Sheet of M/S FRONTIER LEASING & FINANCE LTD., as at 31ST March 2010 and also the Profit & Loss Account for the year ended on that date and cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003, (the Order) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.

Further to our comments in the Annexure referred to above, we report that :

- i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- ii) In our opinion, proper books of account as required by law have been kept by the Company so far, as appears from our examination of those books.
- iii) The Balance Sheet, Profit & Loss Account dealt with by this report are in agreement with the books of accounts.
- iv) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.



J. S. BHATIA & CO.
CHARTERED ACCOUNTANTS

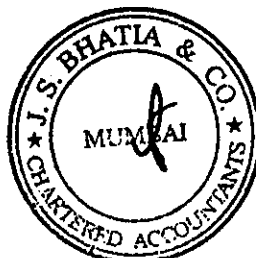
Tel. : Office : 2267 5066 / 2267 5067
Fax : 2269 2994
E-mail : jalpalbhatlaca@yahoo.co.in

- x) The company does not have accumulated losses. The company has incurred cash losses during the financial year covered by our audit. The company has not incurred cash losses during the year immediately preceding financial year.
- xi) Based on our procedures and on the information and explanations given by the management, the company has not availed and funds / facilities from the financial institution or bank.
- xii) Based on our examination and according to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) The company is not a chit / nidhi / mutual benefit fund/ society and clause (xiii) of the order is not applicable.
- xiv) In our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts relating to dealing in shares, securities and debentures and timely entries have been made in such records. All the investments are in the name of the company.
- xv) On the basis of the information and explanations given to us the Company has not given any guarantee for loans taken by others from bank or financial institution.
- xvi) There was no term loan availed by the company and outstanding during the year.
- xvii) On the basis of our examination of the books of accounts and the information and explanations given to us, in our opinion, the funds raised on short-term basis have not been used for long term investment and vice versa.
- xviii) During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- xix) The company did not have any outstanding debentures during the year.
- xx) The company has not raised any money by way of public issues during the year.
- xxi) Based on the audit procedure performed and information and explanations given to us by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For J. S. BHATIA & CO.,
CHARTERED ACCOUNTANTS.

J. S. BHATIA
PROPRIETOR
M.No:34290

PLACE : MUMBAI
DATE : 30/08/2010



Annexure to the auditors report of even date to the members of M/s Frontier Leasing & Finance Ltd.

- i)
 - a) The Company has maintained proper records showing full particulars, including quantitative details and the situation of its fixed assets.
 - b) All fixed assets are physically verified by the management during the year. In our opinion, the frequency of verification of the fixed assets by the management is reasonable having regard to the size of the Company and the nature of its assets. There were no discrepancies noticed during the physical verification conducted by management.
 - c) The assets disposed off during the year are not significant and therefore do not effect the going concern assumptions.
- ii) Since the company did not deal in goods or merchandise, the requirements relating to inventory in clause (ii)(a), (ii)(b) and (ii)(c) of the order are not applicable.
- iii) During the year, the company has not granted or taken any loans to or from parties covered in the register maintained under section 301 of the Companies Act, 1956. Hence, requirements mentioned in clause (iii)(a), (iii)(b), (iii)(c) and (iii)(d) are not applicable.
- iv) Since the company did not deal in goods or merchandise, the requirements in clause (iv) of the order to internal control procedure on purchase of inventory, fixed assets and sale of goods is not applicable.
- v) Based on the audit procedures applied by us and according to the information and explanation provided by the management, we are of the opinion that there were no transactions that need to be entered into the register maintained u/s 301.
- vi) The company has not accepted any deposits from the public during the year.
- vii) The company has a system of internal audit which, in our opinion, is commensurate with its size and nature of its business.
- viii) The company is not required to maintain cost records pursuant to the rules made by the Central Government under section 209(1)(d) of the Companies Act, 1956.
- ix) According to the records, information and explanations provided to us, the company is generally regular in depositing with appropriate authorities undisputed amount of income-tax and other statutory dues applicable to it and no undisputed amounts payable were outstanding as at 31st March, 2009 for a period of more than six months from the date they became payable.



J. S. BHATIA & CO.
CHARTERED ACCOUNTANTS

Tel. : Office : 2267 5066 / 2267 5067

Fax : 2269 2994

E-mail : jaipalbhatiaca@yahoo.co.in

- v) On the basis of written representations received from the directors as on March 31,2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2010 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2010.
- b) In the case of Profit & Loss Account, of the Loss for the year ended on that date.
- c) In case of Cash Flow statement, of the cash flows for the year ended on that date.

For J. S. BHATIA & CO.,
CHARTERED ACCOUNTANTS



J. S. BHATIA
M.No: 34290

PLACE : MUMBAI
DATE : 30/08/2010.



FRONTIER LEASING & FINANCE LTD

BALANCE SHEET AS ON 31ST MARCH 2010

		AS AT 31.03.2010	AS AT 31.3.2009
		Rs	Rs
I. SOURCES OF FUNDS	SCH		
1 Shareholders Funds			
a) Capital	A	2,450,000.00	2,450,000.00
b) Reserve & Surplus	B	3,650,553.72	3,908,256.43
2 LOANS			
UNSECURED LOAN	C	6,591,000.00	-
TOTAL FUNDS EMPLOYED		<u>12,691,553.72</u>	<u>6,358,256.43</u>
II. APPLICATIONS OF FUND			
1 Fixed Assets	D		
Gross Block		624,532.00	624,532.00
Less : Depreciation		<u>612,412.27</u>	<u>610,149.00</u>
Net Block		12,119.73	14,383.00
2 Investments	E	2,499.30	2,499.30
3 Deferred Tax Assets		286,766.00	256,478.00
4 Net Current Assets			
Current Assets	F	1,641.69	76,249.13
Loans & Advances	G	<u>12,457,722.00</u>	<u>6,152,643.00</u>
		12,459,363.69	6,228,892.13
Less : Current Liabilities & Provisions	H	69,195.00	143,996.00
Net Current Assets		<u>12,390,168.69</u>	<u>6,084,896.13</u>
TOTAL FUNDS APPLIED		<u>12,691,553.72</u>	<u>6,358,256.43</u>
NOTES ON ACCOUNTS	K		

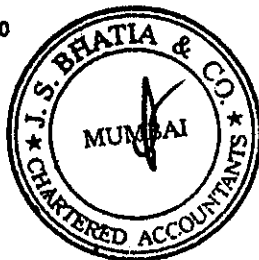
AS PER OUT ATTACHED REPORT OF EVEN DATE FOR AND ON BEHALF OF THE BOARD
FOR J.S BHATIA & CO
CHARTERED ACCOUNTANT

J.S BHATIA
PROPRIETOR
PLACE : MUMBAI
DATED : 30/08/2010

Handwritten signature
N.S.V.

DIRECTORS
PLACE : MUMBAI
DATED : 30/08/2010

Handwritten signature
S.M.L.



FRONTIER LEASING & FINANCE LTD

PROFIT & LOSS A/C FOR THE YEAR ENDED 31ST MARCH 2010

	SCH	Rs 31.03.2010	Rs 31.3.2009
INCOME :			
Interest Received	I	-	4,862.00
Profit on Sale of Assets		-	-
Profit on Sale of Shares		-	-
		-	4,862.00
EXPENDITURE :			
Administration & Other Exp	J	272,088.31	115,440.00
Depreciation		2,263.27	2,832.00
Finance Cost	K	13,639.13	508.52
		287,990.71	118,780.52
Profit Before Tax		(287,990.71)	(113,918.52)
Less : Provision of Taxation			
Current Tax		-	-
Deffered Tax		30,288.00	26,464.00
Profit After Tax		(257,702.71)	(87,454.52)
Balance brought forward from Last year		2,274,606.43	2,362,060.95
Balance carried forward to Balance Sheet		2,016,903.72	2,274,606.43
Earning Per Share			
Basic & Diluted		(1.05)	(0.36)
Face Value per Share		Rs. 10/-	Rs. 10/-

NOTES ON ACCOUNTS

K

AS PER OUT ATTACHED REPORT OF EVEN DATE FOR AND ON BEHALF OF THE BOARD
FOR J.S BHATIA & CO
CHARTERED ACCOUNTANT

J.S BHATIA
PROPRIETOR
PLACE : MUMBAI
DATED : 30.08.2010



[Signature]
MBV

[Signature]
SML

DIRECTORS
PLACE : MUMBAI
DATED : 30.08.2010

FRONTIER LEASING & FINANCE LTD

SCHEDULE ANNEXED TO AND FORMING PART OF THE ACCOUNTS AS AT 31.03.2010

SCHEDULE A	AS AT	AS AT
	31.03.2010	31.3.2009
	Rs	Rs
Share Capital		
Authorised		
2,50,000 Equity Shares of Rs. 10/- each	2,500,000.00	2,500,000.00
Issued, Subscribed & Paid up		
2,45,000 Equity Shares of Rs. 10/- each	2,450,000.00	2,450,000.00
	<u>2,450,000.00</u>	<u>2,450,000.00</u>

**SCHEDULE B:
Reserve & Surplus**

	Opening Balance	Addition	Deduction	Closing Balance
General Reserve (Previous Year)	1,185,650.00 (1,185,650.00)	-	-	1,185,650.00 (1,185,650.00)
Statutory Reserve (Previous Year)	448,000.00 (448,000.00)	-	-	448,000.00 (448,000.00)
Profit & Loss Account (Previous Year)	2,274,606.43 (2,362,060.95)	(257,702.71) (87,454.52)	-	2,016,903.72 (2,274,606.43)
Total	<u>3,908,256.43</u>	<u>(257,702.71)</u>	-	<u>3,650,553.72</u>
(Previous Year)	<u>(3,995,710.95)</u>	<u>(87,454.52)</u>	-	<u>(3,908,256.43)</u>

**SCHEDULE C:
Loans
Unsecured Loans**

Vjay K Sawant	1,591,000.00	-
Imperial Consultants & Sec.Pvt.Ltd.	5,000,000.00	-
	<u>6,591,000.00</u>	-



FRONTIER LEASING & FINANCE LTD

SCHEDULE-D
FIXED ASSETS

(AMOUNT IN RS)

ASSETS	GROSS BLOCK		DEPRECIATION			NET BLOCK	
	As on 01.04.09	As on 31.03.10	As on 01.04.09	For the Year	As on 31.03.10	As on 31.03.2010	As on 31.03.09
Furniture & Fixtures	1,322.00	1,322.00	1,294.00	5.07	1,299.07	22.93	28.00
Office Equipment	64,170.00	64,170.00	63,166.80	400.80	63,568.80	601.20	1,002.00
Plant & Mach. Leased Others	559,040.00	559,040.00	545,687.00	1,857.40	547,544.40	11,465.60	13,353.00
TOTAL	624,532.00	624,532.00	610,149.00	2,263.27	612,412.27	12,119.73	14,383.00
PREVIOUS YEAR	624,532.00	624,532.00	607,317.00	2,832.00	610,149.00		



FRONTIER LEASING & FNANCE LTD

SCHEDULE - E

INVESTMENTS (AT COST)

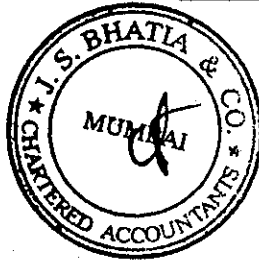
LONG TERM INVESTMENTS OTHER THAN TRADE INVESTMENTS :

<u>NAME OF SCRIP</u>	<u>NO.OF SHARES/ DEBENTURE (PREV.YR.)</u>	<u>FACE VALUE</u>	<u>AS AT 31.3.10 Rs</u>	<u>AS AT 31.3.09 Rs</u>
<u>IN FULLY PAID UP EQUITY SHARES: (UNQUOTED)</u>				
Ring Plus (Aqua Bearings Ltd)	200	10	2,000.00	2,000.00
Usha Microprocess Controls Ltd	50	10	499.30	499.30
Aggregate Cost of Investments in Shares & Debentures			<u>2,499.30</u>	<u>2,499.30</u>



FRONTIER LEASING & FINANCE LTD

	AS AT 31.03.2010	AS AT 31.3.2009
	Rs	Rs
SCHEDULE F		
Current Assets		
Cash on Hand	413.00	413.00
Bank Balance (with Schedule Bank)	1,228.69	75,836.13
	<u>1,641.69</u>	<u>76,249.13</u>
SCHEDULE G		
Loans & Advances		
(Considered Good & Unsecured)		
Advances recoverable in cash or in kind	12,437,055.00	6,013,055.00
Due from Government Authorities	18,667.00	137,588.00
Deposits	2,000.00	2,000.00
	<u>12,457,722.00</u>	<u>6,152,643.00</u>
SCHEDULE H		
Current Liabilities & Provisions		
Other Liabilities	69,195.00	25,075.00
Deferred Tax Liability	-	-
Provision for Taxation	-	118,921.00
	<u>69,195.00</u>	<u>143,996.00</u>



SCHEDULE ANNEXED TO AND FORMING PART OF THE ACCOUNTS AS AT 31.3.2010

	AS AT 31.03.2010	AS AT 31.3.2009
SCHEDULE I		
Interest Received		
Interest recd. From Bank & others	-	4,862.00
	-	4,862.00
SCHEDULE I		
Administrative & Other Expenses		
Advertisement Exp	30,802.00	32,854.00
ALFS (Bombay Stock Exchange)	12,114.00	-
Annual Custody Fees	13,236.00	-
General Expenses	-	4,855.00
Electricity Expenses	-	10,403.00
Payment to Auditors	11,030.00	11,030.00
Professional & Consultancy Charges	73,978.00	56,298.00
Professional and Legal Charges	130,928.31	
	272,088.31	115,440.00
SCHEDULE K		
Finance Cost		
Bank Charges	13,639.13	508.52
	13,639.13	508.52



FRONTIER LEASING & FINANCE LTD.

SCHEDULE – K : NOTES ON ACCOUNTS.

1. Significant Accounting Policies :-

The financial statements are prepared under the historical cost convention, on an accrual basis and in accordance with the applicable accounting standards.

1.1) Fixed Assets :-

Fixed Assets are stated at cost, less accumulated depreciation. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

1.2) Depreciation :-

Depreciation on Fixed Assets is provided on Written Down Method at the rates and in the manner specified in the Schedule XIV of the Companies Act, 1956.

1.3) Investments :-

Long Term Investments are stated at cost.

1.4) Revenue Recognition :

Interest is recorded on time basis. Dividend income on investments is accounted for when the right to receive the payment is established.

1.5) Taxation :-

The provision for Current Tax is determined on the basis of taxable income for the current accounting year in accordance with the Income Tax Act, 1961.

The Deferred Tax is recognized, considering the prudence, on timing difference, that originate in one period and capable of reversal in subsequent period.

Deferred tax assets are recognized on Long Term Capital loss on the basis of reasonable certainty that such deferred tax asset can be realized against future taxable Long Term Capital Gain.

Deferred tax Liability recognized in earlier year on difference between Book depreciation and depreciation under Income Tax Act 1961 is reversed to the extent of realization.

1.6) Retirement Benefits :-

No Retirement benefit provisions made.

1.7) Segment Information :-

Since the company is dealing in only one segment, i.e. financing, there is no segment reporting.



2. Contingent Liability not provided for

	As on <u>31.3.10</u>	As on <u>31.3.09</u>
Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	Nil

	As on <u>31.3.10</u>	As on <u>31.3.09</u>
3. a) Expenditure in Foreign Currency	Nil	Nil
b) Amount remitted during the year in Foreign Currency on account & Divided	Nil	Nil
c) Earning in Foreign Exchange	Nil	Nil

4. Other information pursuant to paragraph 3, 4C, 4D of Part II of Schedule VI of the Companies Act, 1956 are not applicable.

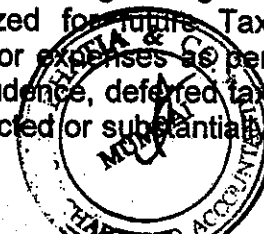
	As on <u>31.3.10</u>	As on <u>31.3.09</u>
5. Payment made to Auditors :		
a) As Audit Fees	5000	5000
b) Other Matters	5000	5500
c) Service Tax	<u>1030</u>	<u>1030</u>
	<u>11030</u>	<u>11030</u>

6. The basic earning per share is computed by dividing the net profit attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding during the year. As there is no presence of dilutive potential equity shares, the diluted EPS is same as basis EPS as follows:

	As on <u>31/03/2010</u>	As on <u>31/03/2009</u>
Profit after Tax	(257703)	(113919)
Add : Excess /(Short) Provision for Tax	=====	=====
Less: Transfer to Statutory Reserve	=====	=====
Net Profit attributable to Equity Shareholders	(257703)	(113919)
Weighted average number of shares	245000	245000
Earning per share		
Basic & Diluted	(1.05)	(0.36)

7. PROVISION FOR INCOME TAX

Income tax comprises Current Tax, Fringe Benefit Tax and Deferred Tax. Income tax has been provided at the applicable rates prevailing during the year. Deferred tax Assets and liabilities are recognized for future Tax consequences of tanning differences of taxable income or expenses on per books and income tax, subject to the consideration of prudence, deferred tax assets and liabilities are measured using the tax rate enacted or substantially enacted the Balance sheet date.



8. **Related Party Transaction (AS-18)**
 There was no related party transaction during the year.
 (Previous Year- Directors Remuneration Rs. nil)
9. There are no amounts due to any enterprise which is small scale and ancillary undertaking, for more than 30 days.
10. Previous year figures are regrouped or rearranged wherever necessary.
11. **BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

I REGISTRATION DETAILS

Registration No : 33128
 State Code No : 11
 Balance Sheet Date : 31.03.2010

II CAPITAL RAISED DURING THE YEAR

Public Issue : Nil
 Right Issue : Nil
 Bonus Issue : Nil
 Private Placement : Nil

III POSITION OF MOBILIZATION AND DEPLOYMENT OF FUNDS
 (Amounts in Rupees Thousands)

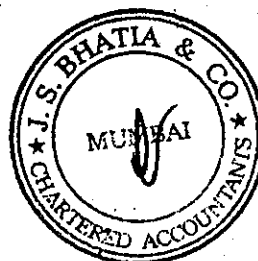
Total Liabilities : 12760
 Total Assets : 12760

SOURCE OF FUND

Paid up Capital : 2450
 Reserve & Surplus : 3651
 Secured Loan : Nil
 Unsecured Loan : 6591

APPLICATION OF FUNDS

Net Fixed Assets : 12
 Investments : 2
 Net Current Assets : 12390
 Misc. Expenditure : Nil
 Accumulated Losses : Nil
 Deferred Tax Assets : 287



IV PERFORMANCE OF THE COMPANY(Amounts in Rupees Thousands)

Turnover	:	NIL
Total Expenditure	:	288
Profit Before Tax	:	(288)
Profit After Tax	:	(257)
Earning Per Shares (In Rs)	:	Nil
Dividend	:	Nil

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS / SERVICES OF COMPANY

(As per monetary term)

Item Code No. (ITC CODE) : NA

Product Description : Finance & Investment.

As per report of even date

FOR J.S. BHATIA & CO.
CHARTERED ACCOUNTANT.

For and on behalf of the Board.

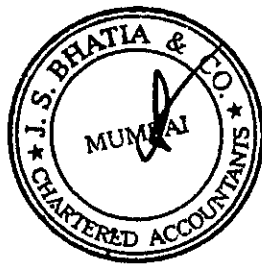

J.S. BHATIA
PROPRIETOR
M.No:34290


NBSV


DIRECTORS.

Place : Mumbai
Date : 30/08/2010

Place : Mumbai
Date : 30/08/2010



J. S. BHATIA & CO.
CHARTERED ACCOUNTANTS

14/15, Ashoka Centre,
2nd Floor, Lokmanya Tilak Marg,
Mumbai - 400 001.
Tel. : Office : 2267 5066 / 2267 5067
Fax : 2269 2994
E-mail : jaipalbhaticca@yahoo.co.in

CASH FLOW STATEMENT
For the year ended 31st March 2010
As per the Cash Flow Statement
of the Company for the year ended
31st March 2010
As per the Cash Flow Statement
of the Company for the year ended
31st March 2010

AUDITORS REPORT

To,
The Board of Directors,
Frontier Leasing & Finance Limited.,

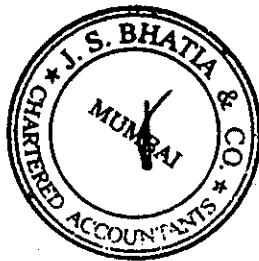
We have examined the Cash Flow Statement of Frontier Leasing & Finance Limited for the year ended 31st march 2010. The Statement has been prepared by the Company in accordance with the requirements of the clause 32 of the listing agreement with various Stock Exchanges and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of even date to the members of the Company.

For J.S.BHATIA & CO.,
CHARTERED ACCOUNTANTS



J.S.BHATIA
(PROPRIETOR)
M. No : 34290

PLACE : MUMBAI
DATE : 30/08/2010



FRONTIER LEASING & FINANCE LTD
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2010

Amount in Rs.

	31/03/2010	31/03/2009
I CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax & Extraordinary items	(287,990.71)	(113,918.52)
Add / (Less) : Adjustments for		
Depreciation	2,263.27	2,832.00
(Profit) / Loss on Sale of Shares	-	-
Interest Received	-	(4,862.00)
Operating Profit before working capital changes	(285,727.44)	(115,948.52)
Adjusted for :		
(Increase)/ Decrease in Debtors	-	-
(Increase)/ Decrease in DTA(other receivables)	(30,288.00)	(21,199.00)
(Increase)/ Decrease in Loans and Advances	(6,305,079.00)	(6,012,375.00)
Increase / (Decrease) in Trade & Other Payable	(74,801.00)	5,765.00
Cash generated from Operations	<u>(6,695,895.44)</u>	<u>(6,143,757.52)</u>
Deferred Tax Liability	30,288.00	26,464.00
Direct taxes paid (Including FBT)	-	-
CASH FLOW FROM OPERATING ACTIVITIES - I	<u>(6,665,607.44)</u>	<u>(6,117,293.52)</u>
II CASH FLOW FROM INVESTING ACTIVITIES		
Sale of investments	-	-
Profit / Loss on sale of Investments	-	-
Interest received	-	4,862.00
NET CASH FROM INVESTING ACTIVITIES - II	<u>-</u>	<u>4,862.00</u>
III CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds / (Repayment) from borrowings	6,591,000.00	-
NET CASH FROM FINANCING ACTIVITIES - III	<u>6,591,000.00</u>	<u>-</u>
NET INCREASE / (DECREASE) IN CASH (I+II+III)	(74,607.44)	(6,112,431.52)
OPENING BALANCE OF CASH & CASH EQUIVALENT	76,249.13	6,188,680.65
CLOSING BALANCE OF CASH & CASH EQUIVALENT	1,641.69	76,249.13

- Notes : 1) Cash and cash equivalents consists of cash on hand, balances with bank and Fixed Deposits
 2) Figures in brackets represents outflow of cash
 3) Figures for the last year have been regrouped, wherever considered necessary

Per our report of even date
 FOR J. S. BHATIA & CO.
 Chartered accountants

J. S. BHATIA
 PROPRIETOR
 M.No: 34290
 PLACE : MUMBAI
 DATED : 30/08/2010



For and on behalf of the board

[Signature]
 N.G.V.
 DIRECTORS.

[Signature]
 SML

Name of the Company : M/S. FRONTIER LEASING & FINANCE LIMITED

RBI Registration No. & Date : 13.00211 DT. 03.03.1998

COMPUTATION OF NET OWNED FUNDS AS ON : 31.03.2010

(Rs. In lakh)

Item Name	Amount
(i) Paid Up Equity Capital	2450000
(ii) Free reserve (Please see note below)	3650554
(a) General Reserves	1185650
(b) Share Premium	0
(c) Capital Reserves (representing surplus on Sale of assets held in separate account)	0
(d) Debenture Redemption Reserve	0
(e) Capital Redemption Reserve	0
(f) Credit Balance in P & L Account	2016904
(g) Other free reserves (STATUTORY RESERVE AS PER RBI ACT, 1934)	448000
(iii) Total [(i) + (ii)]	6100554
(iv) Accumulated balance of loss	0
(v) Deferred Revenue Expenditure	0
(vi) Other Intangible Assets	0
(vii) Short provisioning against NPA/diminution in value of investment	0
(viii) Total [(iv)+(v)+(vi)+(vii)]	0
(ix) Owned Funds [(iii)-(viii)]	6100554

Note :

Free reserves shall include balance in share premium account, capital and debenture redemption reserves & any other reserves shown in the balance sheet & created through an allocation out of profits but not being (a) reserve created for repayment of any future liability or for depreciation on assets or for bad debts, or (b) a reserve created by revaluation of assets of the Company.

*Date of the latest audited balance sheet.

Item Name	Amount
(x) Investment in shares of :	0
[Please see Note (1) below]	
(a) Subsidiaries	0
(b) Companies in the same Group	0
(c) Other non-banking financial companies	0
(xi) The book value of debentures, bonds, outstanding Loans and advances (including hire-purchase and lease finance) made to, and deposits with [Please see note (2) below]	0
(a) Subsidiaries	0
(b) Companies in the same Group	0
(xii) Total [(x)+(xi)]	0
(xiii) Amount of item (xi) in excess of 10% of item (ix) above	0
(xiv) Net owned funds [(ix)-(xiii)]	6100554

Notes:

- Investment in shares includes investment in fully convertible debentures and/or convertible portion of partially convertible debenture, investments held either in investment account or stock-in-trade should be included under this item.
- Debentures whether held in investment account or by way of stock-in-trade should be included under this item. Non-convertible debenture, non-convertible portion of partially convertible debentures and optionally convertible debentures should also be included under this



Company Seal

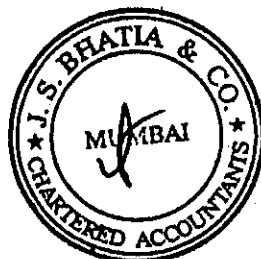
For and on behalf of
For FRONTIER LEASING & FINANCE LIMITED.

NBS
Director
Auditor's Report

J.S. Bhatia
SMIL

We have examined the books of accounts and other records maintained by M/s. Frontier Leasing & Finance Limited, in respect of the Net Owned Fund as on 31.03.2010. We report that to the best of our knowledge and according to the information and explanations given to us and as shown by the record examined by us, the figures shown in the statement hereinabove are correct.

Place : MUMBAI
Date : 30/08/2010



For J. S. BHATIA & CO.
Chartered Accountants

J.S. Bhatia
(J. S. BHATIA)
Proprietor
Membership No.- 34290