



Frontier Springs Ltd.

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CIN No. : L17119UP1981PLC005212

August 9, 2023

To
The BSE Limited
Corporate Relationship Department
1st Floor, New Trading Wing
Rotunda Building, PJ Towers
Dalal Street Fort, Mumbai-400001
Phone: - 022-22723121, 22722037
(Script Code: - 522195)

Subject: Press Release: Un-Audited Financial Results

Dear Sir/Madam

Please find attached Press Release on the Un-Audited Financial Results for the quarter ended June 30, 2023.

The above information is also available on the website of the company at www.frontiersprings.co.in

Kindly take the above on record and oblige.

Thanking You
Yours Faithfully,
For Frontier Springs Limited

Dhruv
Bhasin
Dhruv Bhasin
(Company Secretary & Compliance Officer)

Encl's: As above



SERVING THE NATION SINCE 1980

Kanpur, August 09, 2023**FRONTIER SPRINGS, INDIA'S LEADING PLAYER IN HOT COILED COMPRESSION SPRINGS ANNOUNCED ITS FINANCIAL RESULTS FOR Q1FY24.****REVENUE FROM OPERATIONS****₹25.49 Cr**↑ **7.69%** Y-O-Y**EBITDA****₹3.48 Cr**↑ **2.35%** Y-O-Y**PAT****₹1.86 Cr**↓ **(5.1)%** Y-O-Y

Commenting on the performance, Kapil Bhatia, Managing Director, said:

"I am delighted to share our Q1FY24 performance update, which showcases a promising start to the year. The robust performance is visible across our business verticals - Coil Springs and Forging.

However, a recent shift in the inspection policy by the Indian Railways did momentarily affect our performance. With the inspection responsibilities now transitioning to private parties, there was a brief adjustment period, resulting in delays in inspection and subsequent recording of our revenues. This represents an impact of approximate 10% in our reported top line and a consequent impact on profitability. We remain optimistic about addressing this in the Q2FY24.

I am pleased to share with you that we are fully booked with orders for the year across both Coil Springs and Forging business verticals, ensuring a clear trajectory of growth for the year ahead. But what excites us more, is the launch of our Air Springs facility, which we anticipate to be a significant growth engine for the future. As of now, we have "Conditional Approvals" from RDSO that permit us to produce Air Springs for trial runs. However, by Q2FY24, we anticipate approval as a "Developmental Source", paving the way for us to bid for 20% of all Air Springs tenders by the Indian Railways. On the successful delivery of Air Springs for 500 coaches, our status will elevate to a "Regular Source", enabling us to bid for all related tenders. We target achieving this status by Q1FY25.

In anticipation of the opportunity ahead, we have established an additional shed exclusively for Air Springs manufacturing using our internal accruals. This unit is on the verge of initiating commercial production, post the necessary approvals, and will augment our production capacity to ~500 Air Springs monthly.

The Indian Government's unwavering focus on modernising the Indian Railways paints a promising picture for our future prospects. While the contributions from Air Springs to our financials will gain momentum from the next financial year, we are confident of achieving a growth of 25%+ in the present year on the back of strong orders in Coil Springs and Forgings. Furthermore, our new Air Springs product promises superior margins compared to the traditional Coil Springs and Forging verticals. Once we achieve peak production capacity, we envisage a 22%+ EBITDA margins for our Air Springs business.

In the last fiscal, profitability faced headwinds owing to fixed pricing contracts and sudden price escalations in primary raw materials such as iron and steel. However, with raw material prices now stabilising and contract prices holding firm, we foresee a positive turnaround in profitability this year.

I thank our stakeholders for their continuous support and look forward to an exciting journey ahead."

Financial Highlights

₹ IN CRORE

PARTICULARS	Q1FY23	Q4FY23	Q1FY24	Q-o-Q	Y-o-Y
Revenue from Operations	23.67	29.15	25.49	(12.56%)	7.69%
Other Income	0.14	0.21	0.05	(76.19%)	(64.29%)
Total Income	23.81	29.36	25.54	(13.01%)	7.27%
Total Operating Expenses	20.27	25.46	22.01	(13.55%)	8.58%
EBITDA	3.4	3.69	3.48	(5.69%)	2.35%
EBITDA Margin (%)	14.36%	12.66%	13.65%	94 bps	(74 bps)
Finance Cost	0.07	0.06	0.06	0.00%	(14.29%)
Depreciation and Amortisation Expenses	0.73	0.97	0.88	(9.28%)	20.55%
Profit Before Tax	2.74	2.87	2.59	(9.76%)	(5.47%)
Profit After Tax	1.96	2.17	1.86	(14.29%)	(5.10%)

About Frontier Springs Limited

Founded in 1981, Frontier Springs began its journey as a manufacturer of Leaf Springs and Laminated Bearing Springs for Automobiles and Railways. Today, the Company primarily produces Hot Coiled Compression Springs and Forging items, catering especially to the needs of Wagon, Locomotives, and Carriage industries. Registered with RDSO since 1990, Frontier Springs is a trusted supplier to the Indian Railways.

Frontier Springs' manufacturing prowess is spread across two state-of-the-art facilities located in Kanpur, Uttar Pradesh, and Poanta Sahib, Himachal Pradesh. The Company's portfolio has witnessed significant diversification, now encompassing Forging items from 100 gm to 20 Kg and a specialised Spring Division that addresses the needs of both national and international heavy engineering sectors. Recently, the Company made a strategic foray into the production of Air Springs, marking a significant expansion in its product portfolio.

For further details, please get in touch

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Safe Harbour

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