





**“Frontier Springs Limited  
Q4 & FY’26 Earnings Conference Call”  
June 03, 2026**



MANAGEMENT:

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**Frontier Springs Limited**  
**Quarter 4 & FY26 Earnings Conference Call**  
**June 03, 2026**

**Moderator:** Ladies and gentlemen, good day and welcome to the Frontier Springs Limited Quarter 4 and FY26 Earnings Conference Call hosted by TIL Advisors.

As a reminder, all participant lines will be in the listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing “\*”, then “0” on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Abhishek Mehra from TIL Advisors. Thank you and over to you.

**Abhishek Mehra:** Good afternoon and welcome everyone. Thanks for joining this Quarter 4 and FY26 Earnings Conference Call of Frontier Springs Limited. The investor updates have already been uploaded on the Stock Exchanges and on the Company Website.

In case you do not have a copy of the same, please feel free to reach out to us. To take us through the discussion we have with us today, Mr. Kapil Bhatia – Managing Director, Mr. Neeraj Bhatia – Full-time Director and Chief Financial Officer, and Mr. Dhruv Bhasin – Company Secretary and Compliance Officer.

We will be starting the call with a brief overview of the “Business and the Financial Performance”, which will be followed by the Q&A session.

I would like to remind you all that everything said in this call reflecting any outlook for the future, which can be construed as a forward-looking statement, must be viewed in conjunction with the risks and uncertainties that the company faces. These risks and uncertainties have been mentioned in our Annual Report.

With that said, I would now like to hand over the call to Mr. Bhatia. Over to you, sir.

**Kapil Bhatia:** Good afternoon, everyone, and thank you for joining us today for Frontier Springs Limited Earnings Call for the 4<sup>th</sup> Quarter and full year ended 31<sup>st</sup> March 2026. I am Kapil Bhatia – MD, and I would like to extend a warm welcome to each of you.

Before I begin, I do appreciate the interest and the time you have set aside this morning. These calls matter to us and we look forward to this conversation.

**Let me start with a few thoughts on the broader environment in which we operate:**

Indian Railways remains our primary customer and if there is one thing that defines the operating landscape this year, it is the sheer momentum behind Railways investment in this country.

The union budget for 2026 allocated ₹2.65 lakh crore as a capital outlay to Indian Railways. What this means to us is straightforward. We are a direct beneficiary of these Railways expansions, springs, coil springs, air springs, forging components, etc. at the heart of every coach, wagon, and locomotive. As Indian Railways scales, so does the addressable opportunity for Frontier Springs.

**On the raw material side:**

I must be candid, steel prices remained elevated through the second part of the year and that did create cost pressure. We responded by negotiating more favorable terms with our vendors and by focusing our execution on high value tenders, we were able to largely offset the margin headwind this way. Though if steel prices remain firm in FY27, there may be some moderation in margins in the near term. We are watching this closely and we will manage it actively.

**Turning to what we achieved:**

Operationally FY26 was genuinely a milestone year for Frontier Springs.

On our springs business, which has been our main stay for over three decades, we saw steady demand across freight stock, coaching stock, and locomotive applications. Our springs continue to be fitted on the Vande Bharat Express, the fastest train in India, and that is distinct we are proud of. The forging division which we built from the ground up starting in 2011 made meaningful progress this year. We installed another state-of-the-art 6-ton hammer to significantly enhance our forging capabilities. This opens up a broader range of components and heavier forgings that we were previously not positioned to address importantly.

We have begun receiving orders for the components to be manufactured on this new hammer and a few forging components have been approved for Vande Bharat trains also. Scaling the forging vertical is one of our clear priorities in FY27. On the air spring segment, this has been a business we have been patiently building since 2022. Through our memorandum of understanding with Quant-Technik GmbH for LHB coaches, we successfully ramped up production in FY25 and FY26, saw this business contributing more meaningfully to our revenue.

The failure indication and brake application system, properly known as FIBA, remains on track and this capability that we believe will strengthen our positioning in this segment further. We also extend our capacities in both the coil springs and air spring segment during the year to meet rising demand, and these investments are beginning to show in our numbers.

We enter FY26 with an order book of ₹300 crores which gives us good revenue visibility over guidance for FY26 as it crosses ₹500 crores in gross revenues to step up over 30% from what we delivered in FY26.

**Let me now turn to financial performance:**

I am pleased to say that Financial Year '26 was a year of strong delivery across every key metric.

Revenue from operations for the full year came in at ₹322.06 crore up by 39.22% from ₹231.34 crore in Financial Year '25. We had set ourselves a gross sales target of approximately ₹375 crore for Financial Year '26 and I am glad to report that we have surpassed that. This growth was broad based across our business verticals.

**On profitability:**

EBITDA for the full year stood at ₹86.31 crore a growth of 73.80% over Financial Year '25. What is particularly gratifying is the margin expansion. Our EBITDA margin improved to 26.80% in Financial Year '26 from 21.47% in Financial Year '25. A significant improvement of 533 basis points.

Profit after tax for the full year came in at ₹61.31 crore, up by 76.88% from ₹34.66 crore in Financial Year '25. Earning per share for the year stood at ₹51.07 compared to ₹29.93 in the prior year.

**On quarterly performance:**

Quarter 4 Financial Year '26 was our strongest quarter this year. Revenue from operations stood at ₹82.54 crore a growth of 17.7% over Financial Year '25. And marginally ahead of Quarter 3 Financial Year '26. EBITDA for the quarter was ₹23.54 crore at a margin of 28.51% improving 362 basis point and 462 basis point year-on-year. Profit after tax for Quarter 4 came in at ₹16.59 crore up by 42.22% year-on-year.

**In closing:**

Financial Year '26 was a year where frontier Spring demonstrated that it can grow revenues at a scale, expand margins and simultaneously invest in future capacity all at the same time. The Indian Railways growth story is real. It is well funded and it is multi-year in nature. We are positioned to write this tailwind as a trusted, certified manufacturer with 40 plus years of expertise, a diversified product portfolio and a balance sheet that gives us flexibility to invest. I look forward to your questions. With that, I will hand back to the moderator to open the floor. Thank you so much.

**Moderator:**

Thank you very much. We will now begin the question and answer session. We will take our first question from the line of Sucriit D. Patil from Eyesight Fintrade. Please go ahead.

**Sucrit D. Patil:** Good afternoon to the team. I have two questions. My first question to Mr. Kapil Bhatia to be specific, looking ahead to 2026-27, I just want to understand the forward-looking guidance on what type of strategic pathways are you planning to position the company as a global leader in Railways springs and suspension systems, accelerate diversification into defense and heavy industry engineering components, and future proof against demand cycles and regulatory transactions. That is my first question. I will ask my second question after this.

**Kapil Bhatia:** As I have already mentioned, we are a good order book. What we are promising is that we will try to achieve 30% growth this year. As far as product-wise is concerned, we are having orders for forging as well as for air spring and coil spring. There are a lot of other tenders going on where we are going to get good orders in wagon manufacturing. They have also promised a big tender for the wagon industry, where we have to supply forging as well as springs. We are in a really comfortable position to achieve what we are promising you, that around 30% growth this year also, and with a reasonable profit margin, what we have achieved last year. So, that's it.

**Sucrit D. Patil:** My second question to Mr. Neeraj is, over the next one year, what type of forward-looking capital frameworks are you designing to ensure the company can simultaneously fund R&D in advanced spring technologies, maintain dividend discipline, and build buffers against forex swings and raw material volatility in the long-term Railways contracts?

**Kapil Bhatia:** I am answering as an MD. We are working hard to get things in our favor, as far as where the raw material prices are increased at the moment, around the world and LPG and CNG prices are increased, but we are able to negotiate well with the steel supplier as well as with the LPG supplier. We have energy, this thing, using furnace oil as well as LPG as well as PNG. So, whatever is cheaper available, we are negotiating them, and we are using that to get the proper margin. As far as R&D technology is concerned, we keep on expanding our capacities with the latest technology around the world and trying to get more automated things where manpower is less required and buying machines from all over the world also and from domestic manufacturers also. So, at the moment, we are also negotiating about another line of coil springs and more automated line of manufacturers from China. So, we are comfortable and we have not taken any term loans since last so many years, and we are able to claw back money from the profit. And last year, we have done around ₹20 crore CAPEX, and this year again, we are planning to have around ₹20-25 crore CAPEX for all the three divisions to increase capacity and modernizing the things where the less manpower is required and technology is better.

**Sucrit D. Patil:** Thank you and best wishes.

**Kapil Bhatia:** Thank you.

**Moderator:** Thank you. Next question is from the line of Priyanshu Jain from GrowthX Infinity. Please go ahead.

**Priyanshu Jain:** Congratulations on good set of results. Last two to three years have been really phenomenal for us. I have a few questions. One will be on the margin side, sir, as commodity prices are rising. In this time, we are able to negotiate with our vendors very well. But going forward, if the steel prices remain at this point of time, what kind of a margin, like around 22%-23% we should expect, or 26%-27% we are still able to maintain? If you can comment on that part first.

**Kapil Bhatia:** As I have already told that we are always negotiating with the steel supplier, and simultaneously, because we are into tender business, so for future tenders, we are also increasing the prices for our supplies to the Railways to adhere the difference between the prices of steel and energy and also negotiating with the energy supplier, as I already told you, CNG, PNG, furnace oil, whatever is cheaper available, every month there are prices coming in, and we are negotiating with them and simultaneously, we are also increasing the prices of our product to the Railways to get better prices from the Railways also in future tenders. So, that we are able to nullify the effect of increasing steel and energy cost. As far as the margin is concerned, the margin we are trying to maintain between 23%-24% definitely this year also, if not 26%-28%.

**Priyanshu Jain:** Great sir. So, second question will be on the order book side. For this year, we are very well positioned to achieve ₹500 crores revenue. But for the next 2 years, if we talk about FY28 and FY29, can you comment right now anything on that part?

**Kapil Bhatia:** At the moment, no, but definitely there will be increase, because as far as Indian Railways are concerned and their demand is concerned, and the population in the country, which is the most suitable mode of transportation to maximum number of people in the country, and still there is a shortage of coaches and train as everybody sees during the festival, or maybe anything, or summer vacation, you don't get reservations, so there is always a shortage. So, I don't see another 5-10 years that there will be any scarcity of orders as far as passenger coaches are concerned, locomotives are concerned. Freight is the cheapest mode of transportation in India for iron and steel fertilizer, food grains, iron ore, coal, which is the major thing which Railways transport from the wagon, and the dedicated freight corridors are coming up very fast all over the country, so getting more trains, tracks available for passenger coaches, this is the tight position. As soon as the more dedicated freight corridors will be operational, we will get more tracks for the passenger coaches and the passenger trains. So, I don't see any order problem for next not 2 years, another 5-10 years minimum, and maybe continue like that. So, there is always good orders from the Railways, because we are in a very high population country.

**Priyanshu Jain:** Okay sir, so just last question on the new product side, we are some of the trials, so can you share a bit on the new product which we are planning?

**Kapil Bhatia:** Yes, the new product which we have already got the basic approval from RDSO, that is FIBA, which is failure analysis of brake system in the air spring, which we have already got the patented of our design done, and the basic approval is done, and now the trial will start in the trains, and after 6 months we will be a regular source, and we will get a good order for the

FIBA, because every coach has 2 FIBA equipment put into the coaches, passenger coaches, and all 6,000 coaches are under manufacturing every year, so we will get a good share of business. There are 2-3 approved sources at the moment and will be approved in another 6 months of time. The basic approval of RDSO is already done.

**Priyanshu Jain:** Sir, so the FIBA which we are going to get the approval in the next 6-8 months, we can assume the time span, like the existing one, do we have any differentiator, or like we are one of the providers of FIBA, from the last 3-4 years, and we will be included as well?

**Kapil Bhatia:** No, there are manufacturers which Indian Railways importing the system. Now will be the second one in India to get indigenous system made, and will get priority over the imported one, and will be competitive also, so we will get good share of business of FIBA.

**Priyanshu Jain:** Are there any other places apart from us, or like we are the only one right now?

**Kapil Bhatia:** There are 1 or 2 already, I am telling you that the coaches are already running, so Indian Railways at the moment is importing from the Knorr-Bremse, or one of the other companies, I don't remember the name, so as indigenous, we will be the second one in India, so there are 2-3 manufacturers.

**Priyanshu Jain:** Ok sir, that's all from my side, I have few questions more, but I will join back, thank you, all the best for the future.

**Moderator:** Thank you. Next question is from the line of CA Garvit Goel from Serene Alpha. Please go ahead.

**Garvit Goel:** Good afternoon, sir and congratulations for the visit. Sir, you mentioned we are able to pass on the commodity hikes, but at the same time we are thinking about increasing the margin, so firstly I did not understand why there is a gap, even if we are able to pass on the prices, then why we should look for a drop in the margin?

**Kapil Bhatia:** Sir, we already have orders from the Railways, which is around ₹300 plus crores, because the Railways has a fixed price policy, they don't increase the rate in between the contract, and we keep on quoting tenders for the next 6-8 months, up to ₹300 crores, we are quoting tenders daily, so from there we are able to get our rates improved in the future tenders, but the existing tenders, there might be a little low, although we are negotiating well with the steel supplier and other things, so overall if we are able to complete the year, there might be 1% or 2% of margin, it might go down, but we will try to maintain what we are achieving at the moment.

**Garvit Goel:** No, if you are saying about 1 or 2%, then it must be somewhere around 25%-26%, but we have guided for 23%-24%, there is a gap there.

**Kapil Bhatia:** Sir, I am a little conservative, we will try to maintain that, because I don't want to comment on the higher side things, but we will try to maintain the best possible things, what we get.

**Garvit Goel:** Secondly, from this thing only, when you say we will be able to, like we all know it is a tender business, and we know how it works, so we will be able to pass on the commodity price, so what is the current competitive landscape? Have you seen any increased number of players, or the new players who got approval for this category, and hence increased competition in the tender process?

**Kapil Bhatia:** In our product or for the steel supplier, what you are asking?

**Garvit Goel:** Our product.

**Kapil Bhatia:** The same manufacturers are there, and there are no new manufacturers came in, but definitely there are more steel manufacturers came in, from where we are negotiating the price, and able to get the best price from the old supplier, and from the new supplier, so we are able to negotiate well from the new supplier, because steel manufacturers are more suppliers added by Railways, so from there we are able to get the good competitive rates, to maintain the margins and all. But as far as our product is concerned, there are no new players at the moment.

**Garvit Goel:** Got it. So, that's why you will be able to pass on the price. That I understand.

**Kapil Bhatia:** Got it.

**Garvit Goel:** And lastly, beyond February 27<sup>th</sup>, like you mentioned, and we have also seen, there will be some large tender coming in, and then a lot of focus on the coaches side from the Indian Government, but considering all these things, that we will be an organization which will be close to ₹500 crores, that kind of revenue next year, on that base, what will be the vision, like FY27 onwards, like what pace we will be looking to grow, and what kind of targets do we have in mind, maybe by FY30?

**Kapil Bhatia:** Sir, we are, since last 2-3 years, we are growing at the rate of 30%, but I know that this is a very, very high rate of growth, but as I already mentioned, Indian Railways has a lot of demand, as far as coaches and wagons are concerned. So, if not 30%, we will definitely have a 25% growth, for the beyond '26-27, and things will be there. I don't see any drought of orders for our components, because Railways, which carries load and moves, requires any kind of springs, and forging, and air springs. So, our components are well placed, and we don't see any problem, as far as orders are concerned.

**Garvit Goel:** Understood.

**Moderator:** Next question is from the line of Ajit Sethi, from Eco Quantum Solutions. Please go ahead.

**Ajit Sethi:** Thank you for the opportunity. From an on-ground perspective, how is the current demand environment, how are projects progressing on the ground, and are you witnessing any delays in tendering, ordering, or execution?

**Kapil Bhatia:** No, I have already mentioned that, we already have a good number of orders in hand, and demand is there, and this year again, the Railways has already issued a plan, for this year's production, for the passenger coaches, around 6,000 numbers, locomotives around 1,200 to 1,400 locomotives, which is the same as last year, and a big wagon tender is coming up, by Railways board. You must have read in the papers also, recently, from Titagarh and Jupiter, they have already mentioned. So, as far as orders are concerned, and things are concerned, and tenders are concerned, and there are no delays, in finalizing any tender by Railways. They need springs and everything. So, we are in a very comfortable position.

**Ajit Sethi:** Sir, if possible, can you please share, what is our current order bid pipeline?

**Kapil Bhatia:** I have already told you, it is ₹300 crore plus orders in hand, and pipeline, we are quite confident, that we will be able to get, ₹500 crore gross revenue this year. The tenders are always there, because it is not that, one tender takes place in a year. Every day, there are tenders from the Railways. So, we keep on quoting tenders, and we are quite confident that we will get the numbers, what we have promised.

**Ajit Sethi:** Sir, what is our current capacity, and capacity utilization?

**Kapil Bhatia:** We are already working on, approximately 70% of our capacity, and we keep on increasing the bottleneck, where the capacity extension is required. So, we are working around 70% of our capacities, in all the plants.

**Ajit Sethi:** So, going forward, whatever growth you are projecting, we will have enough capacity to grow, right?

**Kapil Bhatia:** Yes.

**Ajit Sethi:** Okay. Thank you, sir.

**Moderator:** Thank you. Next question is from the line of Mahesh Atal, from Tipcon Family Office. Please go ahead.

**Mahesh Atal:** Good day, Kapil sir. Good to hear you always optimistic, and good day dhruv to you too. Sir, my question is, if you can just give me the breakup of, the revenue on the three divisions, air spring, coil spring and forging. The basic part, I am not interested in the gross part.

**Kapil Bhatia:** The last year?

**Mahesh Atal:** Yes, last year. FY26.

**Kapil Bhatia:** It is approximately, I am just giving you the gross, because I remember that ₹175 odd crore is in coil springs, and ₹60 plus crore in forging, and ₹150 crores in air springs, I think.

**Mahesh Atal:** And sir, what is the number of sets capacity that we are having in air springs today, number of sets that you can manufacture.

**Kapil Bhatia:** At the moment, we have capacities of making around 300 coach sets per month, and we are doing around 200 coach sets per month, 180 to 190 coach sets per month we are doing.

**Mahesh Atal:** Okay, so you already have enough capacity for that.

**Kapil Bhatia:** Yes.

**Mahesh Atal:** So, if I see that, I think you have written that the forging division could see a bit of growth in this FY27 numbers. So, is it fair to assume that we are already having orders in the forging division, and the air spring division will run in the same growth path? Or where do you see the balance of maybe that ₹100 crores coming from in FY27?

**Kapil Bhatia:** We are having orders for all the three divisions in hand, and we are expecting a good number of orders for the air springs, forging, and coil springs also. Because as soon as this wagon tender comes up, it's going to be a huge order from the wagon industry. Coaching orders, tenders are already there. Locomotive tenders are already there by CLW, DLW, and other locomotive manufacturers. So, actual growth will take place in forging and air springs, and coil springs reasonable growth will be there. We are just waiting for wagon tenders to happen, so that we will get additional orders for the wagon industry.

**Mahesh Atal:** Sir, how many kilometers does Railways require for the trial thing? How many kilometers do they do with FIBA?

**Kapil Bhatia:** They do it for 6 months actually.

**Mahesh Atal:** It's 6 months or number of kilometers?

**Kapil Bhatia:** They have something that is around 20,000 kilometers. It takes to 5 to 6 months. So, they have made it 6 months basically.

**Mahesh Atal:** So, we might assume that the Q4 might be having some orders from FIBA side also, right?

**Kapil Bhatia:** Yes, definitely. In the later part of the year, yes.

**Mahesh Atal:** All right, sir. Thank you so much. Good day.

**Moderator:** Thank you. We will take our next question from the line of Ankur Kumar from Alpha Capital. Please go ahead.

**Ankur Kumar:** My first question is, if I look at our revenue reported numbers, it is like it is stuck in this ₹80 crores to ₹83 crore range for last three quarters. Any reason, sir? And when do we expect to break out of this ₹80 crores to ₹83 crore range?

**Kapil Bhatia:** We are trying hard. There are some bottlenecks sometimes. All the views are with the satisfaction from the Railways. So, sometimes inspection doesn't take place. The inspectors don't come. Sometimes, little bit of raw material delays, something like that. And we are trying to break in this 1<sup>st</sup> Quarter. We are hoping to break in this 1<sup>st</sup> Quarter. I hope that we will break that 82 crore, this thing.

**Ankur Kumar:** Got it, sir. And, sir, you are giving 30% growth guidance for next year. So, overall, in the full year, we expect that it is like second half heavy or first half heavy. How should we look at growth in the next year?

**Kapil Bhatia:** Right now, I think there is no problem till the first half. The 4<sup>th</sup> Quarter will always be the better. The 3<sup>rd</sup> Quarter, where the actual things take place, if that goes well, we will be able to achieve what we are promising. So, till these two quarters, I don't see any problem and 4<sup>th</sup> Quarter also. But 3<sup>rd</sup> Quarter, the tender finalization took place faster. So, we will be able to get those numbers equally.

**Ankur Kumar:** And, sir, we have disclosed the order book this time, ₹370 crores. So, in which period will this be executed? And how much is it higher versus last year, sir?

**Kapil Bhatia:** No, this is going on in continuation. You understand that in the first two and a half quarters, there should be this much, which is the order book, and more orders are coming in that. So, there is no problem anywhere. I don't see any problem. These ₹370 odd crores are there. So, we will be able to achieve in the first two and a half quarters.

**Ankur Kumar:** Got it, sir. Sir, this margin, I think you always speak a little conservatively. But the numbers are good on the margin. So, I hope this continues like this.

**Kapil Bhatia:** I am trying my best, sir.

**Moderator:** Thank you. Next question is from the line of Prateek Joshi, an Individual Investor. Please go ahead.

**Prateek Joshi:** Yes, sir. First of all, for so many years of Frontiers Spring, I congratulate you a lot. You and your team are doing a very good job. Sir, I have only one question. The number of orders that come in from any company, Railways or anyone else, why don't we post on BSE and NSE, that this order is a BSE this order?

**Kapil Bhatia:** Sir, the thing is that we don't get a single order, like a big order of ₹500 crores or ₹200 crores. We keep on getting orders every day. Because Railways buys a lot of material for rolling stock. And then coaches. So, if there is a daily order of ₹8-10 crores, then we will have to post an

order daily. So, there is no problem in doing it. But if there is a big order, if there is an order of ₹50-60 crores, then we will definitely post it.

**Prateek Joshi:** I have understood that, sir. But if you keep on posting orders, then it will be very good..

**Kapil Bhatia:** Okay, we will do something. This is a good suggestion. I will do it, sir.

**Prateek Joshi:** Yes, sir. Thank you, sir. Okay.

**Moderator:** Thank you. Next question is from the line of Harsh Mulchandani from Toro Wealth Managers, LLP. Please go ahead.

**Harsh Mulchandani:** Congratulations team for a great set of numbers. Sir, I have two questions. One is on the development. Is there happening on the defence side? In the previous Con-Calls, we had focused on the forging side. We would try to get some defence orders. So, is there any development happening on that side? Or we are currently focusing more on the Railways with the new product FIBA. How is your thinking happening? Just wanted to get your thoughts.

**Kapil Bhatia:** Sir, we are very focused on forging with lots of intensity. Because we have a very big CAPEX. We have some samples in defence as well. But the defence procedure is a little bit slow. Being new in defence, it is taking some time for us to break through. Because this is our forte where we can work overnight. And we know how it works. But we are definitely trying very hard to get into defence. As well as into the other industry, road construction industry like L&T, JCB, Caterpillar. There are many components on which we are already doing R&D. We are making samples and we are giving it to everyone. Our target for this year is to bring better numbers in forging division. Because we have increased the capacities. We have now 3 hammer, 1 ton, 3 ton, 6 ton. And we have a good finishing machining line of CNC machines almost. CNC machines are with us. We are here to get a new customer other than Railways. We are not just stopping at defence. We are entering into this equipment which you see. JCB, L&T, Caterpillar, heavy road construction equipment requires a lot of forging. Crane division hooks. We are exploring everywhere except automotive. Automotive has no margin. We are looking for a good margin in forging industries. We are trying our best to do in forgings other than defence as soon as possible. We have the capacities to do that.

**Harsh Mulchandani:** It sounds very encouraging. Thank you. Another question I have is around the bid pipeline. Like you mentioned, you are expecting orders from the Wagon tender once it gets awarded. Following you will get orders for your products. Any bid pipeline is there? Apart from this tender from Wagon, is there any other bigger tender we can expect coming in second half of the year?

**Kapil Bhatia:** Wagon has a lot of tenders. Apart from that, the tenders for coaches and Railways have already been published. So, things are in line. There is no problem looking the production schedule by the Railways and we will be comfortable with that.

**Harsh Mulchandani:** Got it. Any number on the bid pipeline if you can put?

**Kapil Bhatia:** We are talking about ₹500 crores gross. We will be able to achieve that. That is there.

**Harsh Mulchandani:** Thank you so much. Best of luck.

**Moderator:** Thank you. Next question is from the line of Siddharth, an Individual Investor. Please go ahead.

**Siddharth:** I have one question. The trade receivables are quite high this year.

**Kapil Bhatia:** Yes.

**Siddharth:** Would you like to say anything about that?

**Kapil Bhatia:** Trade receivables are high because our turnover is high. And monthly sales are high. So, you can say every month we are doing around ₹30-35 crores of business. So, the receivables are according to the year ending. But it is all good trade receivables. There is no bad debt at all. There are zero bad debts in the company. So, things are there. And we have executed good orders. So, that is why it is showing that trade receivables are there.

**Siddharth:** One more question. Are these used in local trains as well?

**Kapil Bhatia:** Yes. They are called EMUs. In EMUs they use air springs and coil springs.

**Siddharth:** Okay. Thank you so much.

**Moderator:** Thank you. Next question is from the line of Dipankar Bisht from CCVIM. Please go ahead.

**Dipankar Bisht:** Sir, what was the production volume for air springs in H1 and H2?

**Kapil Bhatia:** What was this?

**Dipankar Bisht:** What was the production volume for air springs?

**Kapil Bhatia:** The production volume, we have a capacity of 300 coach set air spring manufacturing capacity at the moment. 300 coach set means one coach is required for 4 air springs. So, we have a capacity of this thing at the moment. And we are doing around 180 to 200 coach sets per month. So, we have 100 coach sets capacity available for future orders.

**Dipankar Bisht:** So, 180 to 200 capacity for the whole year, right?

**Kapil Bhatia:** Yes.

**Dipankar Bisht:** I believe the company was increasing the capacity from 300 to 350 coach set per month. But as of now, it is still in the range of 200 to 250. So, when can we expect increase in the capacity?

**Kapil Bhatia:** It is done simultaneously. In few machines where we can do around 400 coach set per month. And in few machines where we can finally test up to 300 coach set. So, few machines are required to come up to the 400-coach set. So, it is like that. So, wherever bottleneck is there, we just have to increase that. It is not there that all machines are only for 300. There are machines who does for 400 coach set. There are machines doing 350 coach sets. But what we are telling you, the bottleneck which is 300 coach set for final testing of the springs. So, we just need two more testing machines like this. So, we keep on increasing that if the orders are there. These machines are easily available in the country and if we see that orders are coming and so we place order and by the time order comes we will be in the in line to execute the order.

**Dipankar Bisht:** And sir, is the 1.25 lakhs per air spring realization still valid?

**Kapil Bhatia:** Yes. It is little bit improved also.

**Dipankar Bisht:** So, there is no change in that, right?

**Kapil Bhatia:** No.

**Dipankar Bisht:** And for this FIBA system, I believe you have mentioned that we can expect the production after 6 months. So, what kind of revenue can we expect from this in FY27?

**Kapil Bhatia:** It is a market of around ₹40-50 crores. So, this year in the last quarter this year, we are able to get some orders. Orders may be early also but we are only able to execute when the trial is over. So, we will add ₹20-25 crores to our revenue from the next '27-28 from this component.

**Dipankar Bisht:** That's the last question. This FIBA revenue will be additive to our existing spring revenue, right?

**Kapil Bhatia:** Yes.

**Dipankar Bisht:** Okay, sir. Thank you.

**Moderator:** Thank you. Next question is from the line of Devang Bhatija from Symphoria LLP. Please go ahead.

**Devang Bhatija:** First of all, congrats on a good FY26. I had a short question. So, in an earlier call you had said that further doubling of revenues will take at least 5 years from ₹500 crores to ₹1000 crores, let's say. But now it seems you are a little more bullish or you are seeing better things. So, has there been a material change in the last 6 months?

**Kapil Bhatia:** No, there's no serious change. I have definitely sometimes, I must have mentioned this, but you can assume that 20%-25% growth on an average we will do it, if not 30%. So, we can do computation and permutation accordingly. So, I must have told this thing, but 20%-25% growth with these components, these 3 components, the forging, the air spring and coil spring, we will

achieve this much at any cost. Let's see if we are able to improve on that, if there is some extra demand of wagons or locomotives, so we can add also a little bit more.

**Devang Bhatija:** Great. Sir, do you have any visibility for the next 4-5 years you are saying that?

**Kapil Bhatia:** No, I told you that there is no lack of demand There is no lack of orders and funds. Generous fund Government is giving to the Railways because Railways is the only mode of transport which is used by the most number of people in the country. So, demand is always there for passengers, freight, everything. The number of passengers, freight wagons and coaches, the demand for locomotives is more than that. So, we and I have said before that the component in which we are, without our component, nothing can be done in the Indian Railways. So, we are in a good position, sir.

**Devang Bhatija:** Fantastic, sir. Keep up the good work. Thank you. Thank you.

**Moderator:** Next question is from the line of Bhoomin Shah from Equirus AMC. Please go ahead. Please use your handset mode.

**Bhoomin Shah:** So, I just want to understand in FIBA, the margins would be similar to other products or it would be on a higher side?

**Kapil Bhatia:** It will be around the same margin with the air spring and the coil spring. It will be around same margin.

**Bhoomin Shah:** Another question is on this large wagon tender which is going to come. So, are there any new air spring suppliers or FIBA suppliers which are doing the trial phases and will get the approval from Railways in next 1-2 years?

**Kapil Bhatia:** Sir, as far as my knowledge goes, because we are quite close to RDSO, it is in Lucknow, the headquarter of India is in Lucknow, RDSO, and we are in Kanpur. So, as far as my knowledge is going on, there is no spring manufacturing unit which he has applied for any new registration. FIBA, because we are doing it, we are new into the things, but I don't think because FIBA is a very difficult component to produce because you have to have your own design and R&D team and it requires a patent also because there is an imported component is there. So, it is not that easy component that everybody can come in. So, I don't think that more people are coming into this product.

**Bhoomin Shah:** Okay. Thank you so much.

**Moderator:** Thank you. Next question is from the line of Rajesh Bhatt, an Individual Investor. Please go ahead.

**Rajesh Bhatt:** Thank you for the opportunity. Sir, you are doing great in Indian Railways. I wanted to check whether we have any plans of exploring markets beyond India given the reliability of our and criticality of our components for Indian Railways.

**Kapil Bhatia:** Sir, as far as coil springs are concerned, we are not doing it because all over the world, we keep on visiting the fairs of Railways and all. There are no in Europe as well as in America, there are no expansion going on and there are manufacturers who are doing it. But yes, there is a lot of opportunities for our forging division in export. So, we are exploring forging components for export. But because their company wanted to come in to India to supply things to Indian Railways, they have a capacity and we don't want to go there if there is no business and losing our forte in India. We don't want them to come into India and we are supplying here. For forging, definitely, we are exploring markets all over the world and very soon, good results may come up also as far as export of forging are concerned.

**Rajesh Bhatt:** Thank you.

**Moderator:** Thank you. We will take our next question from the line of CA Garvit Goel from Sirin Alpha. Please go ahead.

**Garvit Goel:** Hi. Thanks for the follow-up. Sir, in continuation to the previous participant, I just wanted to understand more about the export strategy of this company. Going forward, our Ministry is also very much positive and providing motivation to the industry people to produce some technical products that we can be doing the exports. What are our plans in this direction?

**Kapil Bhatia:** Sir, I have told you that we are really exploring market for forging division because forging is a very highly man used industry and they are closing their forging industry in Europe and America because they find it very difficult how to operate there. So, there is a lot of opportunity as far as forging exports are concerned and from India there are number of companies doing good exports in forging. So, we are also exploring not only Railways but other than Railways also with the good margin where the margin is good because we got lot of inquiries from the exports, but we are only entering or studying where the margins are better just not for the purpose of export we just don't want to do it. Margins should be better only then we will supply those forging but yes there is a demand all over the Europe as well as in America of forging components of different whether it is agricultural or Railways or other than Railways. So, there is a demand and we are exploring that.

**Garvit Goel:** All the best for the future. Thank you.

**Moderator:** Next question is from the line of Suman Narunia, an individual investor. Please go ahead.

**Suman Narunia:** Sir, I have two questions. So, my first question is by which financial year we can expect actual production of 250 plus air spring coach set per month?

**Kapil Bhatia:** It may happen this month also. It is not a very big thing.

**Suman Narunia:** Okay but we have capacity and we have capability also, right?

**Kapil Bhatia:** Yes.

**Suman Narunia:** Good to know that. Sir, my second question is that maybe I am not ever. Is there any export opportunities for coil and air spring in other countries?

**Kapil Bhatia:** We have not tried it because their manufacturer tried to come to India. They want to come to India to supply because there is demand here. Their country's demand is over. So, we will go there and waste time and do nothing. We are concentrating more in India so that they should not be able to enter into Indian market and as I have already told we are exploring for forging market. And see the results will come soon.

**Suman Narunia:** Sure. Thank you sir. Thank you for answering my question. Thank you.

**Moderator:** Next question is from the line of Kartik Bhatt, an individual investor. Please go ahead.

**Kartik Bhatt:** Sir, the capacity utilization in the 6-ton hammer project, you mentioned in the opening remarks.

**Kapil Bhatia:** We have a huge capacity available. We are just able to use at the moment only one shift capacity, which is 8 hours. So, we have a 16 hours capacity available as far as 6-ton hammer is concerned and we are really looking for some components from other than Railways industry. And we are really exploring fast and hopefully the result started coming in from the 3<sup>rd</sup> Quarter onwards for further capacity utilization of 6-ton hammer.

**Kartik Bhatt:** That's good to hear. Sir, I am just wondering about sleeper trains. There has been some news recently. So, I believe 12 sleeper trains are being planned for this year and with further scale-up plans for the next one or two years. So, just trying to understand it a little better as to how is the suspension setup different in a sleeper train versus a chair car. I mean, is it different and how are we placed to address this opportunity?

**Kapil Bhatia:** Because it is a sleeper, so the load is increased on this thing. So, they have a different type of coil springs. Air spring is same. So, we have already produced and approved all those springs as far as the sleeper Vande Bharat and all. So, we are approved for that and we are in line to supply these springs to Railways.

**Kartik Bhatt:** So, is it fair to say that significant contribution to it will come in FY28 or its fair share will also come in FY27?

**Kapil Bhatia:** Sir, this year because it is only the 12 trains this year and then they have planned more than 200 trains next year. So, whatever it is there, the spring has to go from us only, sir. So, I think next FY28-29 will be the more fruitful year for these Vande Bharat sleepers.

**Kartik Bhatt:** Okay, sure. And sir, there is some news also circulating that Railways is planning to shift some of the regular LHB coaches to these Amrit Bharat 3.0 rakes for long distance trains. Does this development have any bearing on us?

**Kapil Bhatia:** Sir, whatever it is there, the coil spring and air spring requirement is there, and we are in line to supply all the springs and air springs for whether it is Amrit Bharat or LHB. Amrit Bharat is also made on LHB suspension. So, the name is changed only. So, there is as far as our component requirement is there, it is already there and we are approved for that.

**Kartik Bhatt:** Thank you so much sir. And best of luck for the next quarter.

**Moderator:** Thank you. Ladies and gentlemen, we will take that as the last question for today. I now hand the conference over to Mr. Kapil Bhatia for closing comments. Over to you.

**Kapil Bhatia:** Thank you all for your time and your thoughtful questions. Your continued interest in Frontier Springs is something we generally value. We look forward to updating you next quarter and we remain fully committed to the targets we have set for the Financial Year 2027. Thank you all and keep faith. Thank you so much.

**Moderator:** Thank you. On behalf of TIL Advisors, that concludes this conference. Thank you for joining us and you may now disconnect your lines.