

Frontier Springs Limited

February 06, 2018

Rating

| Facilities | Amount (Rs. crore) | Rating ¹ | Rating Action |
|----------------------------|-----------------------|---------------------|---------------|
| Long term Bank Facilities | - | - | Withdrawn |
| Short term Bank Facilities | - | - | Withdrawn |
| Total | - | | |

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE has withdrawn the outstanding ratings of CARE BB+; ISSUER NOT COOPERATING (Double B Plus; ISSUER NOT COOPERATING*); CARE A4+; ISSUER NOT COOPERATING* (A Four; ISSUER NOT COOPERATING*) assigned to the bank facilities of Frontier Springs Limited with immediate effect. The above action has been taken at the request of Frontier Springs Limited (FSL) and 'No Objection Certificate' received from the bank that have extended the facilities rated by CARE

Analytical Approach: Standalone

Applicable Criteria

[Policy on Withdrawal of ratings](#)

About the Company

FSL is an ISO 9001:2000 & ISO 14001:2004 certified company, incorporated in February 1981 and is based in Kanpur (Uttar Pradesh). The company was promoted by Mr Kundan Lal Bhatia and is engaged in the business of manufacturing of high capacity springs with diameters ranging from 13 millimetres (mm) to 65 mm which are primarily used in for railway wagons, locomotives and carriages.

| Brief Financials (Rs. crore) | FY16 (A) | FY17 (A) |
|------------------------------|----------|----------|
| Total operating income | 41.16 | 49.09 |
| PBILD | 4.21 | 5.41 |
| PAT | 0.51 | 2.14 |
| Overall gearing (times) | 0.53 | 0.53 |
| Interest coverage (times) | 2.45 | 3.79 |

A: Audited

Status of non-cooperation with previous CRA: Not Applicable

Any other information: Not Applicable

Rating History (Last three years): Please refer Annexure-2

Note on complexity levels of the rated instrument: CARE has classified instruments rated by it on the basis of complexity. This classification is available at www.careratings.com. Investors/market intermediaries/regulators or others are welcome to write to care@careratings.com for any clarifications.

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****For detailed Rationale Report and subscription information, please contact us at www.careratings.com**

¹Complete definition of the ratings assigned are available at www.careratings.com and other CARE publications

About CARE Ratings:

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Disclaimer

CARE's ratings are opinions on credit quality and are not recommendations to sanction, renew, disburse or recall the concerned bank facilities or to buy, sell or hold any security. CARE has based its ratings/outlooks on information obtained from sources believed by it to be accurate and reliable. CARE does not, however, guarantee the accuracy, adequacy or completeness of any information and is not responsible for any errors or omissions or for the results obtained from the use of such information. Most entities whose bank facilities/instruments are rated by CARE have paid a credit rating fee, based on the amount and type of bank facilities/instruments. In case of partnership/proprietary concerns, the rating /outlook assigned by CARE is based on the capital deployed by the partners/proprietor and the financial strength of the firm at present. The rating/outlook may undergo change in case of withdrawal of capital or the unsecured loans brought in by the partners/proprietor in addition to the financial performance and other relevant factors.

Annexure-1: Details of Instruments/Facilities

| Name of the Instrument | Date of Issuance | Coupon Rate | Maturity Date | Size of the Issue (Rs. crore) | Rating assigned along with Rating Outlook |
|--------------------------------------|------------------|-------------|---------------|-------------------------------|---|
| Fund-based - LT-Term Loan | - | - | - | 0.00 | Withdrawn |
| Non-fund-based - ST-Bank Guarantees | - | - | - | 0.00 | Withdrawn |
| Fund-based - LT-Cash Credit | - | - | - | 0.00 | Withdrawn |
| Non-fund-based - ST-Letter of credit | - | - | - | 0.00 | Withdrawn |

Annexure-2: Rating History of last three years

| Sr. No. | Name of the Instrument/Bank Facilities | Current Ratings | | | Rating history | | | |
|---------|--|-----------------|--------------------------------|--------|---|---|---|---|
| | | Type | Amount Outstanding (Rs. crore) | Rating | Date(s) & Rating(s) assigned in 2017-2018 | Date(s) & Rating(s) assigned in 2016-2017 | Date(s) & Rating(s) assigned in 2015-2016 | Date(s) & Rating(s) assigned in 2014-2015 |
| 1. | Fund-based - LT-Term Loan | LT | - | - | 1)CARE BB+; ISSUER NOT COOPERATING* (10-Oct-17) | 1)CARE BB+ (18-Jul-16) | - | - |
| 2. | Non-fund-based - ST-Bank Guarantees | ST | - | - | 1)CARE A4+; ISSUER NOT COOPERATING* (10-Oct-17) | 1)CARE A4+ (18-Jul-16) | - | - |
| 3. | Fund-based - LT-Cash Credit | LT | - | - | 1)CARE BB+; ISSUER NOT COOPERATING* (10-Oct-17) | 1)CARE BB+ (18-Jul-16) | - | - |
| 4. | Non-fund-based - ST-Letter of credit | ST | - | - | 1)CARE A4+; ISSUER NOT COOPERATING* (10-Oct-17) | 1)CARE A4+ (18-Jul-16) | - | - |

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