

## Millenium Steel India Private Limited

June 06, 2022

### Ratings

Facilities/Instruments	Amount (Rs. crore)	Rating <sup>1</sup>	Rating Action
Long Term Bank Facilities	4.25	CARE B; Stable; ISSUER NOT COOPERATING* (Single B; Outlook: Stable; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE B+; Stable; (Single B Plus; Outlook: Stable)
Short Term Bank Facilities	21.00	CARE A4; ISSUER NOT COOPERATING* (A Four; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category
<b>Total Bank Facilities</b>	<b>25.25 (Rs. Twenty-Five Crore and Twenty- Five Lakhs Only)</b>		

Details of facilities in Annexure-1

### Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated March 30, 2021, placed the rating(s) of Millenium Steel India Private Limited (MSIPL) under the 'issuer non-cooperating' category as MSIPL had failed to provide information for monitoring of the rating and had not paid the surveillance fees for the rating exercise as agreed to in its Rating Agreement. MSIPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated February 13, 2022, February 23, 2022 and March 05, 2022.

In line with the extant SEBI guidelines, CARE Ratings Ltd. has reviewed the rating on the basis of the best available information which however, in CARE Ratings Ltd.'s opinion is not sufficient to arrive at a fair rating.

**Users of this rating (including investors, lenders and the public at large) are hence requested to exercise caution while using the above rating(s).**

The ratings assigned to the bank facilities of MSIPL have been revised on account of non-availability of requisite information. The ratings further consider decline in scale of operations, profitability margins and debt coverage indicators during FY21 over FY20.

### Detailed description of the key rating drivers

Please refer to PR dated [March 30, 2021](#)

**Analytical approach:** Standalone

### Applicable Criteria

[Policy in respect of Non-cooperation by issuer](#)

[Policy on default recognition](#)

[Criteria on assigning outlook and credit watch](#)

### About the Company

Millenium Steel India Private Limited (MSIPL) incorporated on February 9, 2005, is promoted by Mr D. Hari Prasad Reddy. The company is engaged in trading of Thermo Mechanical Treatment (TMT) bars and other steel products, Steam coal and cement bags. Initially, the company started with trading of iron and steel products. MSIPL mainly trades from their five trading offices situated in Chennai, Kochi, Nellore, Bengaluru and Muthyalapadu. The day to day operations of the company are managed by Mr Hari Prasad Reddy and his wife Mrs Jyothi.

Brief Financials (Rs. crore)	FY20 (A)	FY21 (A)	FY22 (Prov.)
Total operating income	103.88	88.28	NA
PBILDT	3.02	1.95	NA
PAT	0.95	0.71	NA
Overall gearing (times)	0.63	0.59	NA
Interest coverage (times)	1.79	1.79	NA

A: Audited; Prov.: Provisional; NA: Not Available

<sup>1</sup>Complete definition of the ratings assigned are available at [www.careedge.in](http://www.careedge.in) and other CARE Ratings Ltd.'s publications

**Status of non-cooperation with previous CRA:** CRISIL vide its press release dated January 28, 2022 has continued the rating of MSIPL to the 'Issuer Not Cooperating' category on account of its inability to carry out a review in the absence of requisite information from the company.

**Any other information:** Not applicable

**Rating History for last three years:** Please refer Annexure-2

**Covenants of rated instrument/facility:** Annexure-3

**Complexity level of various instruments rated for this company:** Annexure-4

**Annexure-1: Details of Instruments / Facilities**

Name of the Instrument	ISIN	Date of Issuance	Coupon Rate	Maturity Date	Size of the Issue (Rs. crore)	Rating assigned along with Rating Outlook
Fund-based - LT-Cash Credit		-	-	-	4.25	CARE B; Stable; ISSUER NOT COOPERATING*
Non-fund-based - ST-Letter of credit		-	-	-	21.00	CARE A4; ISSUER NOT COOPERATING*

\*Issuer did not cooperate; based on best available information

**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 2022-2023	Date(s) & Rating(s) assigned in 2021-2022	Date(s) & Rating(s) assigned in 2020-2021	Date(s) & Rating(s) assigned in 2019-2020
1	Fund-based - LT-Cash Credit	LT	4.25	CARE B; Stable; ISSUER NOT COOPERATING*	-	-	1)CARE B+; Stable; ISSUER NOT COOPERATING* (30-Mar-21) 2)CARE BB-; Stable (03-Apr-20)	-
2	Non-fund-based - ST-Letter of credit	ST	21.00	CARE A4; ISSUER NOT COOPERATING*	-	-	1)CARE A4; ISSUER NOT COOPERATING* (30-Mar-21) 2)CARE A4 (03-Apr-20)	-

\*Issuer did not cooperate; based on best available information

**Annexure-3: Detailed explanation of covenants of the rated instrument / facilities:** Not Applicable

**Annexure 4: Complexity level of various instruments rated for this company**

Sr. No	Name of instrument	Complexity level
1	Fund-based - LT-Cash Credit	Simple
2	Non-fund-based - ST-Letter of credit	Simple

**Annexure 5: Bank Lender Details for this Company**

To view the lender wise details of bank facilities please [click here](#)

**Note on complexity levels of the rated instrument:** CARE has classified instruments rated by it on the basis of complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for any clarifications

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### About CARE Ratings:

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With an established track record of rating companies over almost three decades, we follow a robust and transparent rating process that leverages our domain and analytical expertise backed by the methodologies congruent with the international best practices. CARE Ratings Limited has had a pivotal role to play in developing bank debt and capital market instruments including CPs, corporate bonds and debentures, and structured credit.

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