

Micro-Melt Private Limited

August 08, 2022

Ratings

Facilities / Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Long Term Bank Facilities	7.30	CARE B+; ISSUER NOT COOPERATING* (Single B Plus; ISSUER NOT COOPERATING*)	Rating continues to remain under ISSUER NOT COOPERATING category and Revised from CARE BB-; (Double B Minus)
Total Facilities	7.30 (Rs. Seven Crore and Thirty Lakhs Only)		

Details of instruments/facilities in Annexure-1

Detailed Rationale & Key Rating Drivers

CARE Ratings Ltd. had, vide its press release dated June 02, 2021, placed the rating(s) of Micro-Melt Private Limited (MPL) under the 'issuer non-cooperating' category as MPL 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. MPL continues to be non-cooperative despite repeated requests for submission of information through e-mails, phone calls and a letter/email dated April 18, 2022, April 28, 2022, May 08, 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 MPL have been revised on account of non-availability of requisite information. The ratings also factored in decline in overall profitability and increase in debt levels in FY21 over FY20.

Detailed description of the key rating drivers

Please refer to PR dated [June 02, 2021](#)

Analytical approach: Standalone

Applicable Criteria

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

[Policy on default recognition](#)

About the Company

MPL is an ISO 9001:2008 certified company engaged in manufacturing of Precision Investment Castings both ferrous and non-ferrous Metals viz stainless steel, alloy steel, carbon steel, aluminum, copper, bronze etc. with installed capacity of 2040 MTPA. The products manufactured by MMPL are secondary products which find application as components in electrical and engineering industry, pharmaceutical industry, submersible pumps and automobile industry.

Brief Financials (Rs. crore)	FY20(A)	FY21(A)	FY22(Prov.)	Q1FY23 (Prov.)
Total operating income	29.49	30.41	NA	NA
PBILDT	2.96	2.76	NA	NA
PAT	1.22	0.96	NA	NA
Overall gearing (times)	1.21	1.12	NA	NA
Interest coverage (times)	3.30	2.89	NA	NA

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

¹Complete definitions of the ratings assigned are available at www.careedge.in and in other CARE Ratings Ltd.'s publications

*Issuer did not cooperate; Based on best available information

Status of non-cooperation with previous CRA: Not Applicable

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-Term Loan		-	-	March 2022	2.80	CARE B+; ISSUER NOT COOPERATING*
Fund-based - LT-Cash Credit		-	-	-	4.50	CARE B+; 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) and Rating(s) assigned in 2022-2023	Date(s) and Rating(s) assigned in 2021-2022	Date(s) and Rating(s) assigned in 2020-2021	Date(s) and Rating(s) assigned in 2019-2020
1	Fund-based - LT-Term Loan	LT	2.80	CARE B+; ISSUER NOT COOPERATING *	-	1)CARE BB-; ISSUER NOT COOPERATING * (02-Jun-21)	1)CARE BB; ISSUER NOT COOPERATING * (08-May-20)	-
2	Fund-based - LT-Cash Credit	LT	4.50	CARE B+; ISSUER NOT COOPERATING *	-	1)CARE BB-; ISSUER NOT COOPERATING * (02-Jun-21)	1)CARE BB; ISSUER NOT COOPERATING * (08-May-20)	-

*Issuer did not cooperate; Based on best available information

Annexure 3: Detailed explanation of the covenants of the rated instruments/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	Fund-based - LT-Term Loan	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 Ratings Ltd. 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 Limited:

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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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