

The Mysore Paper Mills Limited

June 15, 2022

Rating

Instruments	Amount (Rs. crore)	Rating ¹	Rating Action
Redeemable Non-Convertible Unsecured Taxable Bonds	-	-	Withdrawn
Total Long-Term Instruments	-		

Details of instruments/facilities in Annexure-1

Detailed Rationale, Key Rating Drivers and Detailed description of the key rating drivers

CARE Ratings Ltd. has withdrawn the rating(s) assigned to the Non-Convertible Bonds (ISIN: INE924F08033) of The Mysore Paper Mills Ltd (MPM) with immediate effect as the company has repaid the aforementioned Non-Convertible bonds issue in full and there is no amount outstanding under the issue as on date.

Analytical approach: Not Applicable

Applicable Criteria

[Policy on Withdrawal of Ratings](#)

About the Company

The Mysore Paper Mills Ltd. (MPM) was incorporated in May 1936 by the Maharaja of the erstwhile State of Mysore. MPM became a government company in November 1977, when GoK acquired a controlling interest in the company. As on March 31, 2022, GoK holds 64.74% stake in MPM, Financial Institutions hold 6.94%, Insurance companies hold 2.98%, and the balance is held by general public. MPM has become a Sick company under the provisions of the Sick Industrial Act 1985 in FY11 due to huge accumulated losses, which completely eroded tangible net worth. The company has not made fresh proposal to NCLT (national company law tribunal) under the new guidelines of The Insolvency and Bankruptcy Code 2016, till date, as it is getting financial assistance from GoK to meet its debt obligations and operational expenses. Meanwhile MPM has cleared all its dues to the Banks during FY22 under One Time Settlement (OTS) process using the grants received from Government of Karnataka.

Brief Financials (Rs. crore)	31-03-2020 (UA)	31-03-2021 (UA)	31-12-2021 (UA)
Total operating income	17.5	8.8	11.5
PBILDT	(6.1)	(8.0)	(2.1)
PAT	(99.6)	(101.8)	103.9^
Overall gearing (times)	NM	NM	NM
Interest coverage (times)	NM	NM	NM

UA: Un-Audited; NM: Not Meaningful; ^As per the One-time settlement (OTS) agreement with the banks, the accrued interest of Rs.165.36 Cr and 15% of the principal due to banks of Rs.13.35 Cr has been waived off, and the same has been recognized under exceptional items in the financials.

Status of non-cooperation with previous CRA: CRISIL has conducted the review on the basis of best available information and has classified The Mysore Paper Mills Limited as "Issuer Not Cooperating" vide its press release dated October 29, 2021.

Any other information: Not Applicable

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

Covenants of rated instrument / facility: Detailed explanation of covenants of the rated instruments/facilities is given in 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
Bonds-Redeemable Non Convertible Unsecured Taxable Bonds	INE924F08033	May 15, 2012	9.65%	May 15, 2022	-	Withdrawn
Un Supported Rating	-	-	-	-	-	Withdrawn

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

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	Bonds-Redeemable Non Convertible Unsecured Taxable Bonds	LT	-	-	-	-	1)Withdrawn (02-Sep-20) 2)CARE AA-(CE) (CWD) (24-Jul-20)	1)CARE AA-(CE) (CWD) (25-Jul-19)
2	Bonds-Redeemable Non Convertible Unsecured Taxable Bonds	LT	-	-	-	1)CARE BB (CE) (CWD) (30-Nov-21) 2)CARE BB (CE) (CWD) (20-May-21)	1)CARE BB (CE) (CWD) (01-Dec-20) 2)CARE BB (CE) (CWD) (24-Jul-20)	1)CARE BBB+ (CE) (CWD) (25-Jul-19)
3	Un Supported Rating	LT	-	-	-	1)CARE D (30-Nov-21) 2)CARE D (20-May-21)	1)CARE D (01-Dec-20) 2)CARE D (24-Jul-20)	-

LT: Long Term

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	Bonds-Redeemable Non Convertible Unsecured Taxable Bonds	Simple
2	Un Supported Rating	Simple

Annexure 5: Bank Lender Details for this CompanyTo 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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