

Mirra Cobalt Packaging

October 09, 2025

Facilities/Instruments	Amount (₹ crore)	Rating ¹	Rating Action
Long Term Bank Facilities	1.50	CARE B+; Stable; ISSUER NOT COOPERATING*	Downgraded from CARE BB-; Stable and moved to ISSUER NOT COOPERATING category
Long Term / Short Term Bank Facilities	28.50	CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING*	LT rating downgraded from CARE BB-; Stable and ST rating reaffirmed and moved to ISSUER NOT COOPERATING category

Details of instruments/facilities in Annexure-1.

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

Rationale and key rating drivers

CARE Ratings Limited (CareEdge Ratings) has been seeking information from Mirra Cobalt Packaging (MCP) to monitor the ratings vide e-mail communications dated September 19, 2025, September 26, 2025, September 29, 2025, among others and numerous phone calls. However, despite our repeated requests, the firm has not provided the requisite information for monitoring the ratings.

In line with the extant SEBI guidelines, CareEdge Ratings has reviewed the rating on the basis of the best available information which, however, in CareEdge Ratings's opinion is not sufficient to arrive at a fair rating. The rating on MCP's bank facilities will now be denoted as **CARE B+; Stable/CARE A4; ISSUER NOT COOPERATING***.

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

The ratings have been revised on account of non-availability of requisite information due to non-cooperation by MCP with CareEdge Rating's efforts to undertake a review of the outstanding ratings as CARE views information availability risk as key factor in its assessment of credit risk profile.

The ratings assigned to the bank facilities of MCP are constrained by its modest scale of operations, working capital intensive nature of business and moderately leveraged capital structure. However, the ratings derive strength from the extensive industry experience of the promoter family and established relationships with reputed clientele.

Analytical approach: Standalone

Outlook: Stable

Detailed description of key rating drivers:

At the time of last rating on September 19, 2024, the following were the rating strengths and weaknesses (Updated with latest available information).

Key weaknesses

Modest scale of operations

MCP manufactures metal containers and offers packaging solutions, primarily for the paint and adhesive industries. MCP's scale of operations remains modest, with a total operating income (TOI) of around ₹68 crore in FY24, up from ₹56.87 crore in FY23, reflecting a 19.6% year-on-year growth. This increase is primarily attributed to higher sales volumes and improved commodity prices compared to FY23.

Elongated working capital cycle owing to nature of business

The firm holds high inventory of around 90 days as the customer orders have a frequency of once/ twice a month and the product delivery to be done within 10-15 days of the receipt of order. The average credit period offered to customers ranges from 45-60

¹Complete definition of ratings assigned are available at www.careratings.com and other CARE Ratings Limited's publications.

days, while the payable period is shorter due to 100% advance payment requirement for key raw materials. The working capital cycle is expected to remain elevated in the medium term.

Moderately leveraged capital structure

As on March 31, 2024, MCP's net worth stood at ₹19.27 crore, with a moderately leveraged capital structure indicated by an overall gearing ratio of 1.73x. The firm has extended loans and advances amounting to ₹3.89 crore to related parties, which it plans to reduce in the near term. After Adjusting for the related party loans, the gearing ratio stands at 2.0x as on March 31, 2024 (PY: 2.26x).

Partnership nature of constitution with inherent risk of capital withdrawal

MCP is constituted as a partnership entity wherein it is exposed to frequent withdrawal of capital and resultant erosion of the net worth resulting in a lower capital base despite the firm's long history of successfully running the firm. Additionally, the partnership firms' limited access to external borrowing restricts their potential for expansion. A withdrawal of around Rs. 1 Cr was observed in FY22, however, large withdrawals leading to erosion of capital have not been observed on a sustained basis. The partners infused ~₹6 crore in FY23 and withdrew ~₹0.77 crore in FY24.

Key Strengths

Established track record of operations and extensive experience of promoter family

Founded in the 1970s, MCP specializes in manufacturing metal containers primarily used for packaging paints and adhesives. The promoter family boasts over 50 years of industry experience. Currently, the firm is led by third-generation entrepreneur Mr. Amit Agarwal, a BE graduate with more than 20 years of business experience. The promoter family also has smaller business interests in the hospitality and real estate sectors. MCP operates two manufacturing units located in Alathur and Hosur, Tamil Nadu.

Long-standing relationships with reputed customers

MCP has maintained enduring relationships with leading customers in the paint and adhesive industry. Its clientele includes prominent companies such as Kansai Nerolac Paints, Asian Paints, and Nippon Paints. The firm has successfully retained its esteemed customer base over the years with consistent and repeat orders. Revenue concentration is high with top 2 customers accounting for 81% and top 5 customers contributing to around 95% of total sales of the firm in FY24. However, long standing association with the customers mitigate the risk to a certain extent.

Applicable criteria

[Definition of Default](#)

[Information Adequacy Risk and Issuer Non-Cooperation](#)

[Rating Outlook and Rating Watch](#)

[Manufacturing Companies](#)

[Financial Ratios – Non financial Sector](#)

[Short Term Instruments](#)

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Industrials	Capital Goods	Industrial Products	Packaging

Mirra Cobalt Packaging (MCP) is a partnership firm established in the 1970s by its original promoter, Mr. Chunnilal Agarwal. The firm specializes in manufacturing coated metal containers primarily used for packaging paints and adhesives. Currently, MCP is managed by third-generation entrepreneur Mr. Amit Agarwal, who brings over 20 years of industry experience. The firm operates two manufacturing units located in Alathur and Hosur, Tamil Nadu. MCP's major clients in the paint segment include Asian Paints, Nerolac Paints, Indigo Paints, and Nippon Paints, while Bostik is a key customer in the adhesives segment.

Brief Financials (₹ crore)	March 31, 2022 (A)	March 31, 2023 (A)	March 31, 2024 (A)
Total operating income	58.10	56.87	68.08
PBILDT	3.60	4.43	5.31
PAT	0.83	1.37	1.63
Overall gearing (times)	1.51	1.30	1.73
Interest coverage (times)	1.92	2.07	1.66

A: Audited; Note: the above results are latest available financial results

Status of non-cooperation with previous CRA: Not applicable

Any other information: Not applicable

Rating history for last three years: Annexure-2

Detailed explanation of covenants of rated instrument / facility: Annexure-3

Complexity level of instruments rated: Annexure-4

Lender details: Annexure-5

Annexure-1: Details of instruments/facilities

Name of the Instrument	ISIN	Date of Issuance (DD-MM-YYYY)	Coupon Rate (%)	Maturity Date (DD-MM-YYYY)	Size of the Issue (₹ crore)	Rating Assigned and Rating Outlook
Fund-based - LT-Term Loan		-	-	31-12-2026	1.50	CARE B+; Stable; ISSUER NOT COOPERATING*
Fund-based/Non-fund-based-LT/ST		-	-	-	28.50	CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING*

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

Annexure-2: Rating history for last three years

Sr. No.	Name of the Instrument/Bank Facilities	Current Ratings			Rating History			
		Type	Amount Outstanding (₹ crore)	Rating	Date(s) and Rating(s) assigned in 2025-2026	Date(s) and Rating(s) assigned in 2024-2025	Date(s) and Rating(s) assigned in 2023-2024	Date(s) and Rating(s) assigned in 2022-2023
1	Fund-based - LT-Term Loan	LT	1.50	CARE B+; Stable; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable (19-Sep-24)	-	-
2	Fund-based/Non-fund-based-LT/ST	LT/ST	28.50	CARE B+; Stable / CARE A4; ISSUER NOT COOPERATING*	-	1)CARE BB-; Stable / CARE A4 (19-Sep-24)	-	-

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

LT: Long term; LT/ST: Long term/Short term

Annexure-3: Detailed explanation of covenants of rated instruments/facilities: Not applicable

Annexure-4: Complexity level of instruments rated

Sr. No.	Name of the Instrument	Complexity Level
1	Fund-based - LT-Term Loan	Simple
2	Fund-based/Non-fund-based-LT/ST	Simple

Annexure-5: Lender details

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

Note on complexity levels of rated instruments: CareEdge Ratings has classified instruments rated by it based on complexity. Investors/market intermediaries/regulators or others are welcome to write to care@careedge.in for clarifications.

Contact us

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About us:

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