The Malayala Manorama Company Private Limited

January 08, 2026

Facilities/Instruments	Amount (₹ crore)	Rating[1]	Rating Action
Long-term bank facilities	109.13 (Reduced from 124.82)	CARE AA; Stable	Reaffirmed
Short-term bank facilities	15.60	CARE A1+	Reaffirmed

Details of instruments/facilities in Annexure-1.

Rationale and key rating drivers

The reaffirmation of ratings assigned to the bank facilities of The Malayala Manorama Company Private Limited (TMMC) continues to draw strength from the company's long operational track record, leadership position in the Malayalam print media space, and experienced editorial and management team. The ratings also factor in the company's robust financial risk profile, marked by a healthy net worth, low leverage, and strong liquidity position.

The company's operating performance moderated in FY25 (FY refers to April 01 to March 31), with total operating income (TOI) declining by ~4% to ₹1,154.20 crore, driven by lower circulation volumes and reduced advertisement spends amid changing news consumption patterns and a gradual shift of advertisers towards digital platforms. Operating profitability was impacted by lower revenues and higher employee and selling expenses; however, the impact was partly offset by a decline in newsprint prices, with circulation income fully covering newsprint costs. CARE Ratings Limited (CareEdge Ratings) expects TOI in FY26 to be supported by stable circulation levels and a planned cover price increase from January 2026, while higher political advertisement spending ahead of the Kerala state elections in early FY27 is likely to provide additional support.

The above rating strengths are, however, partially tempered by profitability margins susceptible to volatility in newsprint prices and economic cycles, dependence on TMMC's single publication catering to a semi-saturated Kerala market for bulk of its revenues, and regional nature of operations confined largely to Kerala with increasing competition from alternate media platforms, resulting in a gradual decline in circulation. CareEdge Ratings also notes the consistent decline in number of copies in circulation over FY20-FY25 and overall gradual shift in preference towards digital news, thus impacting its future growth prospects. To diversify its revenue profile, the company is undertaking a new capex in its subsidiary; however, timely completion of the project without any significant time or cost overruns remains a key rating monitorable.

Rating sensitivities: Factors likely to lead to rating actions

Positive factors

- Improvement in circulation and advertisement revenue and diversifying revenue streams from digital media platform leading to substantial increase in market share/readership.
- To maintain the profit before interest, lease rentals, depreciation and taxation (PBILDT) margin of over 18% on a sustained basis.

Negative factors

- Significant decline in the operating margins below 10% on sustained basis.
- Significant increase in debt and/or utilisation of cash balance resulting in change in the net debt negative position of the company.

Analytical approach: Consolidated

CareEdge Ratings has adopted a consolidated approach. There are several subsidiaries, having significant operational and financial linkages. There is significant reliance of subsidiaries on the parent, and business interlinkages are present between the parent and subsidiaries. Subsidiaries adopted for consolidation are mentioned under Annexure-6.

Outlook: Stable

Stable outlook reflects CareEdge Ratings' expectation that the company will continue to derive benefits from experienced promoters and management team and a strong brand image.

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

Detailed description of key rating drivers:

Key strengths

Leadership position of 'Malayala Manorama' daily among Malayalam dailies in the country

Malayala Manorama (MM) continues to be the largest-circulated Malayalam daily in India and ranks as the fifth-largest newspaper across all languages based on average daily circulation. CareEdge Ratings notes that MM's circulation in Kerala was ~1.77x that of its closest regional competitor, Mathrubhumi, in July 2024-December 2024, compared to 1.80x in January 2023-December 2023.

Strong editorial and management team

Promoters are closely involved in the newspaper's day-to-day operations. The Chief Editor, Mammen Mathew, has been associated with the publication for over four decades. Management functions are handled by seasoned professionals, several of whom have been with The Malayala Manorama Company Private Limited (TMMC) for over two decades. MM has built a strong team of well-qualified and experienced journalists over the years. The company also maintains cordial employee relations, with numerous staff having long-standing associations with the organisation.

Moderation in operational performance owing to decline in circulation and advertisement income

The company's revenue profile is supported by a mix of advertisement and circulation income with a ratio of 65:35. It reported a total operating income of ₹1,154.20 crore in FY25, marginally lower than ₹1,206.70 crore in FY24, reflecting a year-on-year decline of 4.3%. Moderation in revenue was mainly due to lower circulation volumes, owing to changing news consumption habits and the rising preference for digital media. Advertisement revenue was also impacted by subdued corporate spending amid a weak economic environment and a gradual shift of advertisers to digital platforms, resulting in lower spends on traditional media.

Financial risk profile continues to remain robust

CareEdge Ratings notes that MMCPL continues to maintain a strong capital structure and coverage indicators with low reliance on debt. The capital structure is marked by a healthy net worth base of ₹1,182.99 crore and overall gearing of 0.16x as on March 31, 2025 (PY: 0.17x). The debt coverage indicators remain strong, with an interest coverage ratio of 5.13x in FY25 (PY: 4.76x). On a consolidated level, MMCPL has cash and liquid balances of ₹576.06 crore and remains a net debt-free company as on March 31, 2025.

Key weaknesses

Operating margins have declined despite reduction in raw material cost

The operating profitability of the company moderated to ₹109.83 crore in FY25 from ₹122.36 crore in FY24, primarily due to a decline in advertisement and circulation income in the year, and higher employee and selling expenses. This impact was partly cushioned by a reduction in raw material costs. Imported newsprint prices declined to ~US$540 per metric tonne in FY25 from US$600 per metric tonne in FY23 and further softened to ~US$500 per metric tonne in Q1FY26. Indigenous newsprint prices remained largely stable in the last year at ~₹54 per kg. CareEdge Ratings notes that the circulation income of the company entirely covers the newsprint cost.

Particulars	FY22	FY23	FY24	FY25	H1FY25	H1FY26
Total newsprint cost (in ₹ crore)	223	362	337	245	123	114.03
Newsprint cost per copy (in ₹/copy)	3.10	5.32	5.27	4.11	4.07	4.09
% increase in Newsprint cost	34%	71%	-7%	-27%	-23%	-7%

Dependence on single publication catering to a semi-saturated Kerala market for bulk of revenues

The key publication of TMMC is MM daily, which contributes the majority of the company's total income. Being a regional language daily, it has a major presence in the Kerala market. It also caters to the Malayalee population in major metros across India and in the Middle East. Given high literacy levels in Kerala, circulation growth in the market is likely to be limited over the long term.

Increasing competition from alternate media platforms resulting in gradual reduction in circulation

Owing to the shift to digital content, average number of copies in circulation is depicting a declining trajectory across the industry. The number of copies circulated is reducing gradually for the company in line with the industry.

Dailies	Language	July 20-September 21	July 21-September 22	Jan- June 22	July – December 22	Jan-December 23	July-December 24
MM	Malayalam	20.43	19.88	19.71	19.20	18.16	16.55

Source: Audit Bureau of Circulations

In FY25, average copies circulated were ~16,91,000, and the same declined in H1FY26 to ~15,66,000 as on September 30, 2025. The company's significant revenue depends on advertisement and circulation. Considering the structural shift in readership trends, CareEdge Ratings expects circulation revenue growth to remain muted, though partially supported by the recent cover price hike.

New capex plans
The company is entering the flexi packaging segment, which, while is not the core business, is an extension of its existing printing operations. The project entails a total planned capital expenditure of ₹400 crore to be implemented in phases. Phase I involves an outlay of ₹90 crore, to be funded through a mix of debt of ₹40 crore and equity of ₹50 crore. The project is expected to be commissioned by October 2026. The company estimates revenues of ₹100–140 crore by the end of the third year from commencement of operations. Post stabilisation of Phase I, the company plans to undertake further capacity expansion. The capex is undertaken in subsidiary Encoverplus Packaging Limited. The successful completion of the project without any significant time and cost overrun remains a key rating monitorable.

Liquidity: Strong
The company's gross cash accruals (GCA) for FY26 is expected to be sufficient for debt repayment obligations of ₹48.25 crore. At the consolidated level, the company had unencumbered cash and cash equivalent balances of ₹576.06 crore as on March 31, 2025, largely parked in short-term deposits, which provide strong liquidity support. The average working capital utilisation for the trailing twelve-months period ended October 2025 remained low at 21.72%, supported by a reduction in newsprint prices. The company plans capital expenditure of ₹83 crore in FY26. Based on its historical cash accruals and expected future cash generation, the company is expected to comfortably meet its debt servicing and capital expenditure requirements.

Environment, social, and governance (ESG) risks: Not applicable

Applicable criteria

Consolidation
Definition of Default
Liquidity Analysis of Non-financial sector entities
Rating Outlook and Rating Watch
Financial Ratios – Non financial Sector
Manufacturing Companies
Short Term Instruments

About the company and industry

Industry classification

Macroeconomic indicator	Sector	Industry	Basic industry
Consumer discretionary	Media, entertainment & publication	Media	Print media

TMMC engages in printing and publishing news daily and magazines. TMMC's main daily, Malayala Manorama, remains the most widely circulated regional daily in India. TMMC was founded by Kandathil Varghese Mappillai in 1888, with the first issue of the newspaper appearing on March 22, 1890. The daily is printed and published from 16 centres – 11 in Kerala, one each in Mumbai, Delhi, Bangalore, Chennai, and one overseas locations: Dubai. TMMC publishes over 45 magazines, periodicals, and books in print to cater to different age groups, tastes, and needs. Some of the popular publications include 'The Week' and 'Manorama Year Book'. In 2008, TMMC launched Radio Mango, which now has seven FM radio stations in Kerala. The company is expanding its matrimonial website M4marry to Tamil, Kannada, and Telugu apart from Malayalam and operates an educational platform "Horizon", which has ~7,400 active learners as of October 2025. The digital initiative ManoramaMax, the first Malayalam OTT platform, has built a strong subscriber base.

Brief Financials (₹ crore) (Consolidated)	March 31, 2024 (A)	March 31, 2025 (A)	H1FY26 (Prov)**
Total operating income	1,206.07	1,154.20	576.91
PBILDT*	122.37	109.83	70.04
Profit after tax (PAT)	5.91	(3.77)	6.32
Overall gearing (x)	0.17	0.16	-
Interest coverage (x)	4.76	5.13	9.55

A: Audited UA: Unaudited; Prov: Provisional; Note: these are latest available financial results
*PBILDT: Profit before interest, lease rentals, depreciation and tax
**H1 is prepared by line-by-line consolidation of H1 results of TMMC & MM TV Limited.

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-Cash Credit		-	-	-	55.00	CARE AA; Stable
Fund-based - LT-Term Loan		-	-	March 31, 2029	54.13	CARE AA; Stable
Non-fund-based - ST-Bank Guarantee		-	-	-	10.00	CARE A1+
Non-fund-based - ST-Credit Exposure Limit		-	-	-	0.60	CARE A1+
Non-fund-based - ST-Letter of credit		-	-	-	5.00	CARE A1+

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	54.13	CARE AA; Stable	-	1)CARE AA; Stable (09-Jan-25)	1)CARE AA; Stable (07-Dec-23)	1)CARE AA; Stable (12-Dec-22)
2	Fund-based - LT-Cash Credit	LT	55.00	CARE AA; Stable	-	1)CARE AA; Stable (09-Jan-25)	1)CARE AA; Stable (07-Dec-23)	1)CARE AA; Stable (12-Dec-22)
3	Non-fund-based - ST-Letter of credit	ST	5.00	CARE A1+	-	1)CARE A1+ (09-Jan-25)	1)CARE A1+ (07-Dec-23)	1)CARE A1+ (12-Dec-22)
4	Non-fund-based - ST-Bank Guarantee	ST	10.00	CARE A1+	-	1)CARE A1+ (09-Jan-25)	1)CARE A1+ (07-Dec-23)	1)CARE A1+ (12-Dec-22)
5	Non-fund-based - ST-Credit Exposure Limit	ST	0.60	CARE A1+	-	1)CARE A1+ (09-Jan-25)	1)CARE A1+ (07-Dec-23)	1)CARE A1+ (12-Dec-22)
6	Fund-based - LT-Bank Overdraft	LT	-	-	-	-	1)Withdrawn (07-Dec-23)	1)CARE AA; Stable

								(12-Dec-22)

LT: Long term; ST: Short 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-Cash Credit	Simple
2	Fund-based - LT-Term Loan	Simple
3	Non-fund-based - ST-Bank Guarantee	Simple
4	Non-fund-based - ST-Credit Exposure Limit	Simple
5	Non-fund-based - ST-Letter of credit	Simple

Annexure-5: Lender details

To view lender-wise details of bank facilities please click here

Annexure-6: List of entities consolidated

Sr No	Name of the entity	Extent of consolidation	Rationale for consolidation
1	MM TV Limited	Full	Operational and management linkages
2	Encoverplus Packaging Limited	Full	Operational and management linkages
3	Aero Estates and Leasing Company Limited	Full	Operational and management linkages
4	Young India Agencies Private Limited	Full	Operational and management linkages
5	Malayala Manorama FZ LLC	Full	Operational and management linkages

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.

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