

December 28, 2023

## Neo Paper Mill Private Limited: Continues to remain under issuer Non-Cooperating category

### Summary of rating action

Instrument <sup>^</sup>	Previous Rated Amount (Rs. crore)	Current Rated Amount (Rs. crore)	Rating Action
Long Term-Fund Based-Cash Credit	1.14	1.14	[ICRA]B- (Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Fund Based-Term Loan	4.97	4.97	[ICRA]B- (Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
Long Term-Unallocated	3.89	3.89	[ICRA]B- (Stable); ISSUER NOT COOPERATING*; Rating continues to remain under 'Issuer Not Cooperating' category
<b>Total</b>	<b>10.00</b>	<b>10.00</b>	

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

<sup>^</sup>Instrument details are provided in Annexure-I

### Rationale

ICRA has kept the Long-Term rating of Neo Paper Mill Private Limited in the 'Issuer Not Cooperating' category. The rating is denoted as "[ICRA]B- (Stable); ISSUER NOT COOPERATING

As part of its process and in accordance with its rating agreement with Neo Paper Mill Private Limited, ICRA has been trying to seek information from the entity so as to monitor its performance Further, ICRA has been sending repeated reminders to the entity for payment of surveillance fee that became due. Despite multiple requests by ICRA, the entity's management has remained non-cooperative. In the absence of requisite information and in line with the aforesaid policy of ICRA, the rating has been continued to the "Issuer Not Cooperating" category. The rating is based on the best available information.

Please refer to the following link for the previous detailed rationale that captures Key rating drivers and their description, Liquidity position, Rating sensitivities: [Click here](#) ICRA is unable to provide the latest information because of non-cooperation by the entity.

### Analytical approach

Analytical Approach	Comments
Applicable Rating Methodologies	<a href="#">Policy in respect of non-cooperation by the rated entity</a> <a href="#">Corporate Credit Rating Methodology</a>
Parent/Group Support	NA
Consolidation/Standalone	Standalone

### About the company

Incorporated in March 2012, Neo Paper Mills Private Limited (NPMPL) proposes to manufacture kraft paper for packaging applications. The proposed unit is located in Halkarni, Kolhapur district of Maharashtra and would have a production capacity of 13,500 MTPA. The company plans to manufacture kraft paper in the range of 50-150 GSM (grams per square meter) and having a Burst Factor of 14-16 BF. Kraft paper is used (i) in manufacturing corrugated boxes, paper grocery bags, multiwall sacks, envelopes and other packaging (ii) for lining particle boards and (iii) as base paper for producing sand paper. The main raw

materials required for manufacturing kraft paper are waste paper, water, alum, rosin, starch, gum, dyes and other chemicals used for treating and removing impurities.

### Key financial indicators

	FY2022	FY2022
Operating income	0.0	-
PAT	-0.0	-0.0
OPBDIT/OI	-2.7%	-
PAT/OI	-2.7%	-
Total outside liabilities/Tangible net worth (times)	2.5	2.5
Total debt/OPBDIT (times)	-24,393.6	-2,011.6
Interest coverage (times)	-	-

Source – MCA Website

### Status of non-cooperation with previous CRA: NA

### Any other information: None

### Rating history for past three years

Instrument	Type	Current Rating (FY2024)		Chronology of Rating History for the past 3 years			
		Amount Rated (Rs. Crore)	Amount Outstanding (Rs. Crore)	Date & Rating in	Date & Rating in FY2023	Date & Rating in FY2022	Date & Rating in FY2021
				28-Dec-2023	14-Oct -2022	30-Sep-2021	24-Jun-2020
1 Cash Credit	Long Term	1.14	-	[ICRA]B- (Stable); ISSUER NOT COOPERATING	[ICRA]B- (Stable); ISSUER NOT COOPERATING	[ICRA]B- (Stable); ISSUER NOT COOPERATING	[ICRA]B- (Stable); ISSUER NOT COOPERATING
2 Term Loan	Long Term	4.97	-	[ICRA]B- (Stable); ISSUER NOT COOPERATING	[ICRA]B- (Stable); ISSUER NOT COOPERATING	[ICRA]B- (Stable); ISSUER NOT COOPERATING	[ICRA]B- (Stable); ISSUER NOT COOPERATING
3 Unallocated	Long Term	3.89	-	[ICRA]B- (Stable); ISSUER NOT COOPERATING	[ICRA]B- (Stable); ISSUER NOT COOPERATING	[ICRA]B- (Stable); ISSUER NOT COOPERATING	[ICRA]B- (Stable); ISSUER NOT COOPERATING

### Complexity level of the rated instrument

Instrument	Complexity Indicator
Cash Credit	Simple
Term Loan	Simple
Unallocated	Not Applicable

The Complexity Indicator refers to the ease with which the returns associated with the rated instrument could be estimated. It does not indicate the risk related to the timely payments on the instrument, which is rather indicated by the instrument's credit rating. It also does not indicate the complexity associated with analysing an entity's financial, business, industry risks or complexity related to the structural, transactional, or legal aspects. Details on the complexity levels of the instruments, is available on ICRA's website: [Click Here](#)

#### Annexure-I: Instrument details

ISIN No	Instrument Name	Date of Issuance / Sanction	Coupon Rate	Maturity Date	Amount Rated (RS Crore)	Current Rating and Outlook
NA	Cash Credit	-	-	-	1.14	[ICRA]B- (Stable); ISSUER NOT COOPERATING
NA	Term Loan	-	-	-	4.97	[ICRA]B- (Stable); ISSUER NOT COOPERATING
NA	Unallocated	-	-	-	3.89	[ICRA]B- (Stable); ISSUER NOT COOPERATING

Source: Neo Paper Mill Private Limited

#### Annexure-II: List of entities considered for consolidated analysis: Not Applicable

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### Branches



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