



THE SOUTH INDIA PAPER MILLS LIMITED

Regd. Office & Factory : Chikkayana Chitra, Nanjangud - 571 302, Karnataka State, India

Corporate & Marketing Office : # 1205 / 1206, Prestige Meridian II, M.G Road, Bangalore - 560 001.

Ref: BSE / 2022 / 2502

28.12.2022

BSE Limited
25th Floor, PhirozeJeejeebhoy Towers
Dalal Street
Mumbai – 400 001
Tel: (022) 2272 1233/ 34

Dear Sir,

Scrip Code: 516108

Sub: Your email dated 27th Dec 2022 requiring additional details in respect of Corporate Announcement filed under Reg 30 filed by us regarding Revision in Credit Rating from ICRA for Rs.250 Crores Line of Credit

Ref: Intimation regarding revision in credit rating from ICRA filed by us under Regulation 30 of the SEBI (LODR) Regulations, 2015, on 26th December 2022

We refer to our Corporate Announcement filed on 26th December 2022 under Reg 30 of the SEBI (LODR) Regulations 2015 and your email dated 27th December 2022 calling for additional details in this regard.

In this connection we wish to submit that the rating agency in their rationale for revision in ratings with negative outlook have taken into account the material weakening of financial risk profile of our Company leading to a sharp decline in the Company's operating profitability which is chiefly attributable to steep rise in energy expenses. The escalation of high energy costs is attributable to the surge in coal prices which in turn has resulted in high cogen power production cost. Delays in sanctioning of adequate grid power at competitive rates accentuated the escalation in power costs and leading to under utilization of the new unit. ICRA has also taken note of the recent pressure on sales realization, driven from the declining waste paper trend.

Considering all the above criteria, ICRA has downgraded the long term rating to [ICRA]BBB (pronounced ICRA triple B) from [ICRA]BBB+ (pronounced ICRA triple B plus) & short term rating to [ICRA]A3+ (pronounced ICRA A three plus) from [ICRA] A2 (pronounced ICRA A two) for Rs 250 crore bank facilities of the Company with negative outlook (from stable)

Kindly take the same on your records.

Thanking you,

For The South India Paper Mills Limited

VIDYA BHAT

Digitally signed by VIDYA BHAT
Date: 2022.12.28 10:46:16
+05'30'

Vidya Bhat - Company Secretary

SIPM

CIN (Corporate Identity No.) L85110KA1959PLC001352

FACTORY : PHONE : (91) (08221) 228265-67 FAX : (91) (08221) 228270

CORPORATE : PHONE : (91) (080) 41123605 FAX : (91) (080) 41512508

E-mail : marketing@sipaper.com Grams : PAPERMILLS Website : www.sipaper.com



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Corporate & Marketing Office : # 1205 / 1206, Prestige Meridian II, M.G Road, Bangalore - 560 001.

Ref: BSE / 2022 /2434

26.12.2022

BSE Limited
25th Floor, PhirozeJeejeebhoyTowers
Dalal Street
Mumbai – 400 001
Tel: (022) 2272 1233/ 34

Dear Sir,

Scrip Code: 516108

Sub: Intimation regarding Revision in Credit Rating from ICRA for Rs.250 Crores Line ofCredit

Ref: Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements)Regulations, 2015

This is to inform you that ICRA has downgraded the long term rating to **[ICRA]BBB** (pronounced ICRA triple B) from **[ICRA]BBB+**(pronounced ICRA triple B plus)&short term rating to **[ICRA]A3+**(pronounced ICRA A three plus)from**[ICRA] A2** (pronounced ICRA A two) for our Rs 250 crore bank facilities of the Company with negative outlook (from stable)

The outlook on the long term rating is revised to Negative from stable.

Kindly take the same on your records.

Thanking You,
Yours faithfully

For The South India Paper Mills Limited

**VIDYA
BHAT**

Digitally signed by
VIDYA BHAT
Date: 2022.12.26
14:45:40 +05'30'

Vidya Bhat
Company Secretary

SIPM

CIN (Corporate Identity No.) L85110KA1959PLC001352

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