

# SURVEILLANCE CREDIT RATING REPORT FALCON INTERNATIONAL KNIT COMPOSITE

Ref. no.: FR/2022/025889

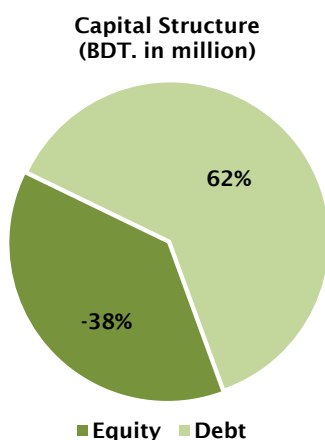


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## Key Snapshot:

Particulars	Tk. in million
<b>FY21</b>	
Revenue	640.41
EBIT	52.91
Net Profit	26.35
Total Assets	187.54
Total Equity	-288.55
Debt	476.09
Net Profit Margin (%)	4.1%
CCC (Days)	176.66
ICR (X)	2.51



## Analysts:

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SME Rating	WCR SE/ME	Outlook	Date of Declaration	Date of Expiration
	WCRME 3	Stable	11 October 2022	10 October 2023

WCRME 3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093.

Bank Name	Mode of Investment	Sanctioned/ Limit Amount	Tk. In Million Outstanding Amount
Prime Bank Limited (29.09.2022)	Rescheduled		104.77
	HPSM Salary	46.88	28.56
	HPSM Transport	0.57	0.24
	Murabaha PC	60.00	22.48
Premier Bank Limited (02.10.2022)	Bai-Muajjal (Com)	15.00	29.44
	Baim ACI	28.39	30.95
	Baim FI	101.56	101.62
	FDBP	4.32	2.67
	BTB L/C & ABP		230.85
	EDF	600.00	49.72

**Financial Based on-** unaudited financial statements for the years ended on 30 June up to 2021.

**Methodology:** SME Rating Methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com).

## RATING RATIONALE

WCRCL has reaffirmed 'WCRME 3' rating (pronounced as WASO Credit Rating Medium Enterprise Three) to Falcon International Knit Composite (hereinafter referred to as 'FIKC' or 'The Enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration.

The above rating has been assigned based on the fundamentals of the enterprise which includes; experienced and proactive management, high interest Coverage position, good infrastructural arrangement, good Liquidity position, group support, low gearing in the capital structure. However, the above factors are constrained to some extent by lack of sufficient disclosure in financial statements, high competition in the industry, low profit margin compare to industry.

The SME rating implies that the entity is adjudged above average level of credit worthiness in relation to other MEs.

WCRCL also viewed the enterprise with "Stable" outlook and believes that FIKC will be able to maintain its good fundamentals in the foreseeable future.