

SURVEILLANCE CREDIT RATING REPORT KC PRINT LIMITED

Ref. no.: FR/2022/025789



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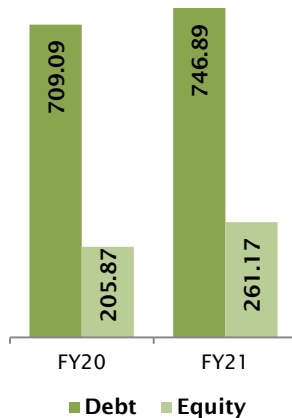
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Key Snapshot:

Tk. in million

Particulars	FY21	FY20
Revenue	1,143.5	731.15
COGS	1,029.5	658.61
Gross Profit	114.00	72.53
EBITDA	69.29	66.63
Financial Exp.	5.68	2.56
PAT	55.30	57.92
ICR (X)	12.20	26.02
Debt/Equity (X)	2.86	3.44
Net Profit Margin (%)	4.80	7.90
ROAA (%)	5.80	6.30
ROAE (%)	23.70	34.30

Capital Structure
(Tk. in million)



Analysts:

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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	A2	ST-3	Stable	19 September 2022	18 September 2023

Tk. in Million

Bank	Mode	Limit Amount	Outstanding Amount	Bank Loan Rating
Dutch-Bangla Bank Limited (31.08.2022)	Term Loan	50.00	25.05	blr A2
	Term Loan	45.00	45.67	
	LC (Sight/Deferred)	300.00	193.50	
	LTR	80.00	28.95	blr ST-3
	BTB LC	500.00	216.00	
	ECC	10.00	0.00	
	Letter of Guarantee	20.00	10.30	
	LAAB	120.00	0.00	

** blr-Bank Loan Rating

Financial Based on-Audited financial statement up to 30 June 2021.

Methodology: Corporate rating methodology published on the WCRCL website at www.wasocreditrating.com

RATING RATIONALE

WCRCL has reaffirmed 'A2' (pronounced as Single A Two) rating for the Long Term and 'ST-3' (pronounced as Short Term Three) rating for Short Term to **KC Print Limited** (hereinafter referred to as '**KCPL**' or '**The Company**') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance. WCRCL has also reaffirmed "blr A2" (pronounced as Bank Loan Rating Single A Two) rating to the long term loan outstanding and "blr ST-3" (pronounced as Bank Loan Rating Short Term Three) rating to the aggregated short term limit.

The above ratings have been assigned based on the fundamentals of the company which include experience of promoter in the garments industries, experienced and skilled management, financial flexibility arising from Knit Concern Group, strong forward linkage from the group, good interest coverage position, satisfactory health and safety measures, comfortable security arrangement, regular loan repayment history, insurance coverage against fire, owned factory premises and good infrastructural arrangement.

However, the above factors are constrained to average disclosure in the financial statement, profitability margins were fluctuating pattern, high levered in the capital structure, stressed liquidity position, and adverse shock in RMG industry may affect revenue growth.

The long term rating implies that the company rated upper medium grade and subject to low credit risk The short term rating implies that the company has acceptable ability to repay short term debt obligations from internal sources. However, it is expected to rely on external sources of committed financing due to downturn in economic or industry circumstances.

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