

SURVEILLANCE CREDIT RATING REPORT PACK CONCERN LIMITED

Ref. no.: FR/2022/026189



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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB2	ST-3	Stable	11 October 2022	14 October 2023

Tk. in Million				
Bank	Mode	Limit Amount	Outstanding Amount	Bank Loan Rating
IFIC Bank Limited (30.09.2022)	Term Loan	21.82	17.19	blr BBB2
	LC (Sight/Deferred)	65.00	11.13	
	LTR	(35.00)	18.14	
	IDBP	50.00	18.11	
	Demand Loan	2.94	2.99	blr ST-3
	OD	5.00	4.34	
	BG	10.00	10.00	

** 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 'BBB2' (pronounced as Triple B Two) rating for the Long Term and 'ST-3' (pronounced as Short Term Three) rating for Short Term to **Pack Concern Limited** (hereinafter referred to as '**PCL**' 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 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 experienced and skilled management, strong buyers profile which reflects revenue, maintained sound business relation with supplier & buyer, low levered in the capital structure, insurance coverage against fire, satisfactory safety measures, equipped with sufficient power backup, good banking conduct with regular loan repayment history, availability of the supply of raw materials.

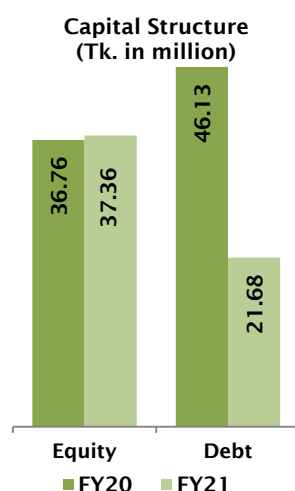
However, the above factors are constrained to average disclosure in the financial statement, vulnerability in raw- materials price in the local and international market may impact profitability and stressed liquidity position, poor interest coverage position, poor security arrangement, rented factory premises, market outlook derived tight related to linking industry i.e. Readymade garments.

The long term rating implies that subject to medium credit risk and considered medium grade and as such may possess certain speculative characteristics. 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 **PCL** will be able to maintain its good fundamentals in the foreseeable future.

Key Snapshot:

Tk. in million		
Particulars	FY21	FY20
Revenue	77.05	106.13
COGS	65.49	90.21
Gross Profit	11.55	15.92
EBITDA	4.57	8.31
Financial Exp.	3.63	7.10
PAT	0.60	0.63
ICR (X)	1.26	1.17
Debt/Equity (X)	0.58	1.25
Net Profit Margin (%)	0.80	0.60
ROAA (%)	0.90	0.90
ROAE (%)	1.60	1.50



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