

SURVEILLANCE CREDIT RATING REPORT POWERPAC MUTIARA JAMALPUR POWER PLANT LTD.

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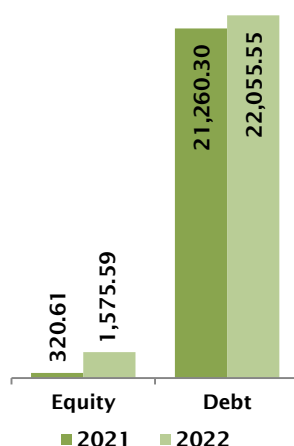
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Key Snapshot:

Particulars	Tk. in million	
	FY22	FY21
Revenue	6,409.02	6,345.56
COGS %	45.66	45.70
Gross Profit %	54.34	54.30
Operating Profit %	41.57	40.20
PAT	679.0	677.83
Current Ratio (X)	14.54	2.62
Total Debt	23,349.8	22,055.5
Total Assets	25,604.4	23,631.1
Debt-Equity Ratio (X)	10.36	14.00
ICR (X)	1.34	1.36

**Capital Structure
(Tk. in million)**



Analysts:

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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB3	ST-4	Stable	27 December 2022	28 December 2023

Tk. in Million					
Bank Name	Mode of Investment	Limit Amount	Outstanding Amount	Bank Loan Rating	
Janata Bank Limited (30.11.2022)	Project Loan	6,238.52	6,695.20	blr BBB3	
AB Bank Limited (30.11.2022)	Term Loan	2,484.58	3,637.09	blr BBB3	
EXIM Bank Limited (25.12.2022)	Baim (Hypo)	2,740.00	2,804.25	blr ST-4	
First Security Islami Bank Ltd. (25.12.2022)	Bai Murabaha (G)	1,300.00	1,870.28	blr ST-4	
Global Islami Bank Limited (25.12.2022)	OD (General)	750.00	927.00	blr ST-4	
The Premier Bank Ltd. (27.12.2022)	OD (G-1)	650.00	867.06	blr ST-4	
	OD (G-2)	600.00	828.41		
	OD (G-3)	600.00	772.74		
	Time Loan	150.00	153.72		
Union Bank Limited (25.12.2022)	Bai Murabaha (TR)	1,250.00	1,824.91	blr ST-4	
Total		16,763.1	20,380.66		

Financial Based on Management prepared financial statements up to 30 June, 2022.

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

RATING RATIONALE

WCRCL has assigned to **BBB3** (pronounced as Triple B Three) rating for the Long Term and **ST-4** (pronounced as Short Term four) rating for Short Term to **PowerPac Mutiara Jamalpur Power Plant Ltd.** (hereinafter referred to as 'PMJPPL' 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 BBB3** (pronounced as bank loan rating Triple B Three) for aggregated long term loan outstanding and **blr ST-4** (pronounced as bank loan rating Short Term Four) rating to aggregate Short Term Limit.

The above ratings have been assigned based on experience of promoter in power plant, experienced management and technical personnel, power Purchase Agreement with BPDB, good revenue stream with increasing pattern. However, the above factors are constrained by Highly levered in the capital composition, tight liquidity position considering long cash conversion cycle, poor interest coverage position, very high finance expense, high fuel cost leaves low profitability position, fluctuation of interest rate.

The long term rating implies that the company is 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 is regarded as having some speculative characteristics. The obligor currently has the capacity to meet its financial commitment on the obligation; however, it may face uncertainties which could lead to the obligor's inadequate capacity to meet its financial commitment on the obligation.

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