

# SURVEILLANCE CREDIT RATING REPORT AL-NOOR PAPER & BOARD MILLS LIMITED

Ref. no.: FR/2023/031454



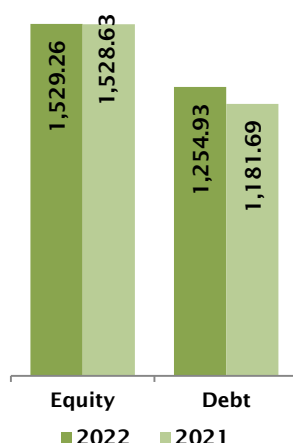
## Report Contents:

Particulars	Page
Rating Rationale	01
Corporate Profile	03
Management and Organization	03
Analysis of Industry Dynamics	04
Business Analysis	06
Infrastructure arrangement	06
Financial Strength Analysis	07
Banking Relationship	08
Risk Factor Analysis	10
Rating Observation	11
Rating Scale	13

## Key Snapshot:

Tk. in million		
Particulars	FY22	FY21
Revenue	1,301.3	1,391.8
COGS	1,119.3	1,243.5
Profit from Operation	122.64	88.76
Financial Exp.	124.32	107.68
PAT	0.63	-14.41
Total Assets	2,784.1	2,710.3
Total Debt	1,254.9	1,181.6
Total Equity	1,529.2	1,528.6
Debt/Equity (X)	0.82	0.77
ICR (X)	1.01	0.87

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



## Analysts:

**Md. Al Amin Jewel**  
jewel@wasocreditrating.com

**Monira Islam**  
monira@wasocreditrating.com

Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB2	ST-3	Stable	12 June 2023	09 April 2024

Tk. In Million				
Name of Banks	Mode of Facility	Limit Amount	Outstanding Amount	Bank Loan Rating
NCC Bank Ltd. (31.05.2023)	Term Loan	414.32	373.85	blr BBB2
	L/C	250.00	0.00	
	LTR	(200.00)	0.00	
	CC (Hypo)	150.00	149.95	blr ST-3
	STL	50.00	0.00	
	BG	30.00	0.00	
	<b>Sub-Total</b>	<b>894.32</b>	<b>523.80</b>	
United Commercial Bank Ltd. (11.06.2023)	SLC	400.00	0.00	
	LTR	(350.00)	0.00	
	Time Loan	(100.00)	100.71	blr ST-3
	BG	70.00	0.00	
	CC (Hypo)	150.00	144.23	
	<b>Sub-Total</b>	<b>620.00</b>	<b>244.94</b>	
Jamuna Bank Limited (30.05.2023)	L/C	50.00	0.00	
	LTR	40.00	0.00	
	Time Loan	(20.00)	0.00	blr ST-3
	SOD (G)	10.00	9.98	
	<b>Sub-Total</b>	<b>100.00</b>	<b>9.98</b>	
MIDAS Financing Ltd. (31.05.2023)	Term Loan	100.00	101.12	blr BBB2
	<b>Sub-Total</b>	<b>100.00</b>	<b>101.12</b>	
IIDFC (31.05.2023)	Lease Finance	50.00	41.85	blr BBB2
	<b>Sub-Total</b>	<b>50.00</b>	<b>47.80</b>	
United Finance Ltd. (31.03.2022)	Term Loan	45.00	19.36	blr BBB2
	<b>Sub-Total</b>	<b>45.00</b>	<b>19.36</b>	
IFIL (31.05.2023)	Term Loan	250.00	218.60	blr BBB2
	<b>Sub-Total</b>	<b>250.00</b>	<b>218.60</b>	
	<b>Grand Total</b>	<b>2,059.32</b>	<b>1,159.65</b>	

*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](http://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 **Al-Noor Paper & Board Mills Limited** (hereinafter referred to as '**ANPBM**' 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 assigned 'blr BBB2' (pronounced as Bank Loan Rating Triple B 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 experienced and proactive management, maintained sound business relation with supplier & buyer, financial flexibility arising from Al-Noor Group, low levered in the capital structure, availability of the supply of raw materials, comfortable security arrangement, presence of fire insurance policy, owned factory premises and good infrastructural arrangement.

However, the above factors are constrained to average disclosure in the financial statement, stressed liquidity position considering long cash conversion cycle, poor interest coverage position, vulnerability in raw-

SURVEILLANCE CREDIT RATING REPORT  
AL-NOOR PAPER & BOARD MILLS LIMITED

Ref. no.: FR/2023/031454



materials price in the local and international market may impact profitability.

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 has an 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 **ANPBML** will be able to maintain its good fundamentals in the foreseeable future.

--- End of Rationale ---