

3rd SURVEILLANCE CREDIT RATING REPORT ABUL ISLAM JUTE MILL LIMITED

Ref. no.: FR/2023/032189



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SME Rating	WCRSME	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	04 July 2023	03 July 2024

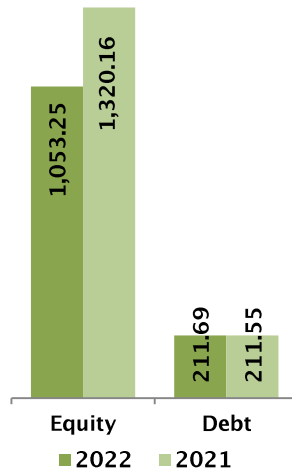
Bank Name	Mode of Investment	Disbursed/Limit Amount	Outstanding Amount
Social Islami Bank limited (03.07.2023)	HPSM-Industrial	80.00	115.94
	HPSM-Mach (ME)	5.00	6.73
	HPSM-Mach (SE)	23.70	31.71
	Bai-Muajjal (Com.)	100.00	127.46
	Bai-Muajjal CMSME	10.00	10.54

Key Snapshot:

Tk. in million

Particulars	FY22	FY21
Revenue	252.58	279.18
EBIT	40.78	34.62
Net Profit	3.42	3.32
Total Assets	1,264.93	1,531.71
Total Equity	1,053.25	1,320.16
Debt	211.69	211.55
Net Profit Margin (%)	1.4	1.2
CCC (Days)	27	76
ICR (X)	1.10	1.12

Capital Structure
(BDT. in million)



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Financial Based on Audited financial statements of June ended FY22

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

RATING RATIONALE

WCRCL has upgrade 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to Abul Islam Jute Mill Limited (hereinafter referred as "AIJML" or "The Company") based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

The above rating has been assigned based on the fundamentals of the enterprise which includes experienced and skilled management, good market reputation and buyer base, low leverage position in the capital structure, good interest coverage position, own factory premises, availability of the supply of raw materials.

However, the above rating has been moderated to some extent due to some factors like average disclosure in the financial statements, vulnerability in raw- materials price in the local and international market may impact profitability, tight Liquidity position and no insurance coverage.

The SME rating implies that the enterprise is adjudged to above average credit quality.

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

This rating may be revised in case of any extraordinary changes in line with the sponsor's equity investment, debt obligations, management, business operations and/or changes in any macro and micro factors in the economy.