

SURVEILLANCE CREDIT RATING REPORT

POWERPAC MUTIARA KERANIGANJ POWER PLANT LIMITED

Ref. no.: FR/2023/031322



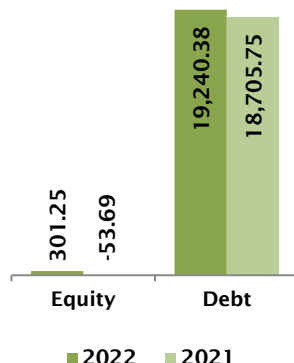
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Key Snapshot:

BDT. in million		
Particulars	2022	2021
Revenue	1,809	1,805
EBIT	1,201	1,208
Net Profit	322.35	338.17
Total Assets	19,541	18,652
Total Equity	301.25	-53.69
Debt	19,240	18,705
Net Profit Margin (%)	17.8	18.7
Debt/Equity (X)	63.87	-348.3
ICR (X)	1.37	1.39

Capital Structure
(BDT. in million)



Analysts:

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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB3	ST-4	Stable	31 May 2023	09 April 2024

Tk. in Million				
Bank Name	Mode of Investment	Limit Amount	Outstanding Amount (31.03.2023)	Bank Loan Rating
AB Bank Limited	Term Loan	427.90	166.10	blr BBB3
	Term Loan (IBB)	1,010.38	1,032.49	blr BBB3
EXIM Bank Limited	OD/WC AP (Bai)	4,700.00	4,831.45	blr ST-4
IFIC Bank Ltd.	Term Loan	1,787.51	2,017.40	blr BBB3
	W. Cap (Baim)	700.00	748.54	
	Bai-Muajjal	2,000.00	3,698.39	
Social Islami Bank Ltd.	TR	200.00	23.13	blr ST-4
	PG	9.70	9.70	
Agrani Bank Ltd.	Project Loan	4,150.00	4,052.05	blr BBB3
First Security Islami Bank Ltd.	Baim (EQI)	1,471.15	1,095.52	blr ST-4
Total		16,456.64	17,674.77	

*blr-Bank Loan Rating

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

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

RATING RATIONALE

WCRCCL has reaffirmed the long term rating to 'BBB3' (pronounced as Triple B Three) and 'ST-4' rating (pronounced as Short Term Four) for the short term to **PowerPac Mutiara Keraniganj Power Plant Limited** (hereinafter referred to as '**PMKPPL**' or '**The Company**') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance. WCRCCL has also reaffirmed "blr BBB3" (pronounced as Bank Loan Rating Triple B Three) rating to long term outstanding and "blr ST-4" (pronounced as Bank Loan Rating Short Term Four) rating to 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, strong group support, good revenue stream with increasing pattern and moderate security arrangement against loan.

However, the above factors are constrained to some extent by management prepared accounts with average disclosure in the financial statement, high levered in the capital structure, stressed liquidity position considering long cash conversion cycle, very high finance expense, poor interest coverage position, high fuel cost leaves low profitability position, fluctuation of interest rate, poor banking conduct.

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

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obligor's inadequate capacity to meet its financial commitment on the obligation.

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

--- End of Rationale ---