

INITIAL CREDIT RATING REPORT
COMPOSITE STEEL STRUCTURE LTD
Ref. no.: CRAR-18335/2023



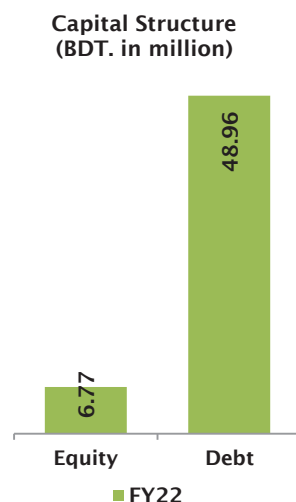
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Key Snapshot:

BDT. in million

Particulars	FY22
Revenue	117.14
EBIT	5.20
Net Profit	2.27
Total Assets	55.73
Total Equity	6.77
Total debt	48.96
Net Profit Margin (%)	1.9%
CCC (Days)	-10
ICR (X)	2.66



Analysts:

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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB+	ST 3	Stable	07 November 2023	06 November 2024

Tk. in Million

Bank	Mode	Limit Amount	Outstanding Amount	Bank Loan Rating
Standard Bank Limited (05.11.2023)	Term Loan	0.90	0.43	blr BBB+
	CC	7.50	8.37	blr ST 3
	OD	20.00	18.04	
	LTR	10.00	-	
	L/C	15.00	-	
	Sub Total	53.40	26.84	
NRBC Bank PLC. (05.11.2023)	Business Loan	5.00	4.59	blr BBB+
SBAC Bank Limited (05.11.2023)	Time Loan	20.00	19.86	blr BBB+
	SOD	20.00	10.52	blr ST 3
	Sub Total	308.00	33.39	

Financial Based on-Audited statements up to 30th June 2022.

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

RATING RATIONALE

WCRCL has assigned 'BBB+' (pronounced as Triple B Plus) rating for the Long Term and 'ST 3' (pronounced as Short Term Three) rating for Short Term to Composite Steel Structure Ltd (hereinafter referred to as 'CSSL' or 'The Company') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance. WCRCL has assigned 'blr BBB+' (pronounced as Bank Loan Rating Triple B Plus) rating to the long term loan outstanding and 'blr ST 3' (pronounced as Bank Loan Rating Short Term Three) rating to short term loan limit.

The above ratings have been assigned based on the fundamentals of the company which include audited Financial Statement with detailed disclosure, experienced and skilled management, strong business network, Strategic Partnerships, good interest coverage ratio, business expansion plan and good banking conduct, Technological Advancements.

However, the above factors are constrained by very high compaction in terms of quality, high working capital pleasure, rented factory premise, highly levered capital structure, Project Execution Risks, Global Economic Conditions, Regulatory Compliance,

The long term rating implies that the entity Moderate credit quality. The short term rating implies that the company has Average ability to meet short term financial commitments.

WCRCL also viewed the company with "Stable" outlook and believes that CSSL 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.