

5th SURVEILLANCE CREDIT RATING REPORT IMPRESS ACCESSORIES LIMITED

Ref. no.: FR/2023/033521



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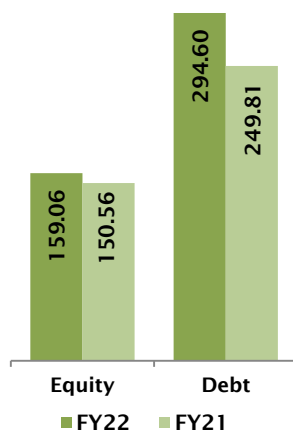
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Key Snapshot:

Tk. in million

Particulars	FY22	FY21
Revenue	518.82	495.47
EBIT	39.06	38.12
Net Profit	8.49	10.57
Total Assets	453.66	400.37
Total Equity	159.06	150.56
Debt	294.60	249.81
Net Profit Margin (%)	1.6%	2.1%
CCC (Days)	134	120
ICR (X)	1.40	1.52

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



Analysts:

Md. Rafiul Bary
rafi@wasocreditrating.com

Al- Amin Jewel
jewel@wasocreditrating.com

Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	A-	ST 3	Stable	12 September 2023	30 July 2024

Tk. in Million

Bank Name	Mode of Investment	Sanctioned/ Disbursed	Outstanding	Bank Loan Rating
Shahjalal Islami Bank Limited. as on 03.07.2023	HPSM (Machinery)	27.84 (40.00)	24.59 9.50	blr A-
	HPSM (Industrial)	37.67	32.72	
	HPSM (Equipment's)	20.00	11.51	
	HPSM (Machinery)	41.80	37.23	
	HPSM (Real Estate)	17.50	18.33	
	HPSM (Equipment's)	6.80	7.02	
	HPSM (Real Estate)	17.50	16.65	blr ST 3
	HPSM (Transport)	1.52	1.48	
	Murabaha LC (Rev) (including EDF)	50.00	7.36	
	Murabaha Sight	250.00	260.59	
	BMCTR (Rev)	80.00	82.03	
	IDBP (Rev)	120.00	82.22	
	IDBP			
	BG (One off)	1.38	1.38	
	BMCTR (One off)	16.00	15.21	

Financial Based on- audited financial statement up to 30 June 2022.

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

RATING RATIONALE

WCRCL has reaffirmed 'A-' (pronounced as Single A Minus) rating for the Long Term and 'ST 3' (pronounced as Short Term Three) rating for Short Term to Impress Accessories Limited (hereinafter referred as "IAL" 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 A-' (pronounced as Bank Loan Rating Single A Minus) for 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 strong group support from "Impress Group", experienced and skilled management, good infrastructural arrangement, equipped with sufficient power backup, give good supportive facilities to the workers and positive fund flow from operation. However, the above factors are constrained to operational bottleneck due highly levered capital structure, stressed liquidity position, marginal coverage position and moderate disclosure of financial statements.

The long term rating implies that the entity is subject Moderately good credit quality. The short term rating implies that average ability to meet short term financial commitments.

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