

5th SURVEILLANCE CREDIT RATING REPORT PEOPLES CERAMIC INDUSTRIES LIMITED



Ref. no.: FR/2023/033963

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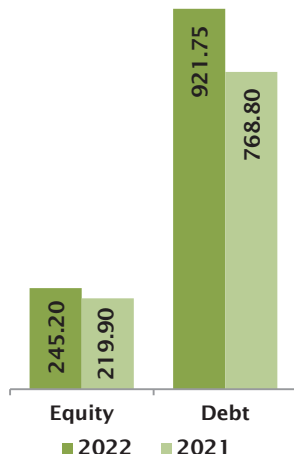
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Key Snapshot:

Tk. in million

Particulars	FY22	FY21
Revenue	471.17	438.54
EBIT	44.22	51.36
Net Profit	28.30	34.14
Total Assets	1,166.95	988.71
Total Equity	245.20	219.90
Debt	921.75	768.80
Net Profit Margin (%)	6.0%	7.8%
CCC (Days)	28	29
ICR (X)	11.66	19.86

Capital Structure
(BDT. in million)



Analysts:

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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB+	ST 3	Stable	03 October 2023	02 October 2024

Bank Name	Mode of Investment	Limit Amount	Outstanding Amount 28.09.2023	Bank Loan Rating
Rupali Bank Limited	CC (P)/LIM	25.00	--	blr ST 3
	CC(H)	5.00	4.86	
	LC (raw material)	18.00	18.40	
	LC (Machine)	7.00	--	
	BG	13.00	13.00	
	COVID-19 Stimulus	7.50	7.56	
	LC (Machine)	160.00	176.28	

Financial Based on-Audited financial statements up to 2022.

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

RATING RATIONALE

WCRCL has reaffirmed 'BBB+' (pronounced as Triple B Plus) rating for the Long Term and 'ST 3' (pronounced as Short Term Three) rating for Short Term to Peoples Ceramic Industries Limited (hereinafter referred as "PCI Ltd." 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 ST 3' (pronounced as Bank Loan Rating Short Term Three) rating for aggregated Short Term Loan Limit.

The above ratings have been assigned based on the fundamentals of the company which include long business history since 1962, strong brand image 'PCI', good infrastructural arrangement and factory built on own land of 12 bigha, experienced and skilled management, good coverage position and have insurance coverage. However, the above factors are constrained by tight liquidity position, low technological up gradation and low disclosure of the financial statement.

The long term rating implies that the entity has 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 ODL 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.