

9th SURVEILLANCE CREDIT RATING REPORT
ASIA COMPOSITE MILLS LIMITED



Ref. no.: CRA/517/2023

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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	A	ST 3	Stable	07 November 2023	13 October 2024

Key Snapshot:

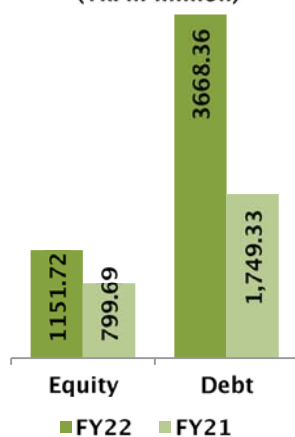
Tk. in million

Particulars	FY22	FY21
Revenue	3040.82	2330.35
EBITDA	487.86	291.45
Net Profit	413.36	248.99
Total Assets	4820.08	2549.05
Total Equity	1151.72	799.69
Total Debt	3668.36	1749.35
Net Profit Margin (%)	13.59	10.68
Current Ratio (X)	1.25	0.98
CCC (Days)	162	167
Interest Coverage Ratio (X)	6.55	6.86

Tk. in million

Banks Name	Mode of Investment	Limit Amount	Outstanding Amount	Bank Loan Rating
Brac Bank PLC	Term loan	384.23	326.59	blr A
	Term loan	507.33	446.36	
	LC	1450.00	464.80	
	EDF	(1450.00)	748.21	blr ST 3
	UPAS	(1450.00)	39.97	
	Rev. Loan	(150.00)	1.70	
	BG	(50.00)	0.00	
	OD	50.00	14.77	
Islami Bank Bangladesh PLC (30.09.2023)	HPSM	33.44	9.95	blr A
	Bai Murabaha		1386.95	blr ST 3
	Baim TR		0.00	
	MFCI	3500.00	0.00	
	Bills		0.00	
	LC		488.41	
	BG		0.00	
	Clean Import Loan		508.67	
LC	500.00	409.57		
HSBC Limited (30.09.2023)	Demand Loan		119.37	blr ST 3
	OD		33.32	
	Accepted Bills		87.75	
	Installment Loan	68.05	67.97	
Bangladesh Infrastructure Finance Fund Ltd.	Term Loan	400.00	249.89	blr A

Capital Structure (Tk. in million)



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Financial Based on-Audited statements up to 30 June 2022, 2021, and 2020.

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

RATING RATIONALE

WCRCL has reaffirmed and assigned 'A' (pronounced Single A) rating for the Long Term and reaffirmed 'ST 3' (pronounced Short Term Three) rating for Short Term to **Asia Composite Mills Limited** (hereinafter referred to as 'ACML' 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 reaffirmed 'blr A' (pronounced Bank Loan Rating Single A) rating for the Long Term Loan Outstanding amount and 'blr ST 3' (pronounced Bank Loan Rating Short Term Three) rating for Short Term Loan Limit amount.

The above ratings have been assigned based on the fundamentals of the company which include strong group support, experienced and skilled management, available power backup, presence of fire insurance policy, good infrastructural arrangement, availability of the supply of raw materials and industrial area may endow with the location advantage. However, the above factors are constrained by vulnerable market condition, highly levered capital structure, Tight liquidity positing and long cash conversion cycle, high inventory pile-up affecting working capital and very low disclosure of financial statements.