

INITIAL CREDIT RATING REPORT
FU-WANG CERAMIC INDUSTRY LIMITED



Ref. no.: CRAR-18555/2023

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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	A	ST 3	Stable	26 December 2023	25 December 2024

Key Snapshot:

Tk. in million

Particulars	FY23	FY22
Revenue	911.37	842.56
EBIT	200.60	169.77
Net Profit	36.00	31.47
Total Assets	9,290.4	4,118.3
Total Equity	1,622.7	1,605.8
Debt	7,667	2,512.5
Net Profit Margin (%)	4.0%	3.7%
CCC (Days)	1,167.3	918.78
ICR (X)	1.30	1.35

Tk. in Million

Banks	Mode	Limit Amount	Outstanding Amount	Outstanding Date
Premier Bank PLC 30.11.2023	Term Loan	50.00	13.61	
	Term Loan	100.00	96.16	blr A
	Term Loan	400.00	435.55	
	CC	200.00	204.33	
	Time Loan	100.00	100.00	
	LTR	50.00	1.15	blr ST 3
Commercial Bank of Ceylon PLC 04.07.2023	Stimulus Package	400.00	269.16	
	Sort term	55.00	55.94	blr ST 3
AB Bank PLC 30.11.2023	Time Loan	1350.00	1350.00	
	Time Loan (Inner of LC)	(2250.00)	2389.41	
	Time Loan	135.00	26.59	blr ST 3
	Time Loan	120.00	125.03	
	Rev. BG	2000.00	2000.00	
	LC	2500.00	nil	
Southeast Bank PLC 30.11.2023	Term Loan	303.21	225.73	blr A
	OD	230.00	236.06	
	Demand Loan	180.00	180.54	blr ST 3
	BG	50	47.22	
	L/C	350	165.03	
National Bank Limited 30.11.2023	CC	2000.00	2098.60	blr ST 3
	LC	2000.00	1045.40	

Capital Structure (BDT. in million)



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Financial: Based on Audited financial statements up to 30 June 2023.

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

RATING RATIONALE

WCRCL has assigned 'A' (pronounced as single A) rating for the Long Term and 'ST 3' (pronounced as Short Term Three) rating for Short Term to **Fu-Wang Ceramic Industry Limited** (hereinafter referred to as '**FWCIL**' or '**The company**') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating declaration. WCRCL has also assigned 'blr A' (pronounced as Bank Loan Rating single A) rating to the long term loan outstanding and "blr ST 3" (pronounced as Bank Loan Rating Short Term Three) rating to the aggregate short term limit.

The above ratings have been assigned based on the fundamentals of the company which include the business is operating with success since 1995 and its product used in the construction of national and historical monuments and heritage of the country, unique products and strong brand image, good infrastructural arrangement and factory built on own land of 34.22 bigha, strong group, experienced and skilled management and have insurance coverage. However, the above factors are constrained by highly levered, tight liquidity position and