

Ref: AGL/RCM/250415/2025-11302

23 April, 2025

Mr. Md. Golam Kibria
Managing Director
Hakkani Pulp & Paper Mills Limited
2/10 Dhaka Trunk Road North Pahartali,
Chattogram.

Subject: Credit Rating (Surveillance) – Hakkani Pulp & Paper Mills Limited.

Dear Sir,

We are pleased to inform that the Credit Rating Agency of Bangladesh Ltd. (CRAB) has assigned the following ratings to Hakkani Pulp & Paper Mills Limited:

Particular	Rating	Remark
Hakkani Pulp & Paper Mills Limited	BBB ₁	–
BDT 703.1 million Long Term Outstanding	BBB ₁ (Lr)	
BDT 220.0 million Short term Funded limits	ST-3	Vide Appendix-1
BDT 187.0 million Short term Non funded limits	ST-3	
Out Look	Stable	–

Lr-Loan Rating: ST – Short Term

This rating is valid up to 30 March, 2026. The rating may be changed or revised prior to expiry, if warranted by extraordinary circumstances in the management, operations and/or financials of Hakkani Pulp & Paper Mills Limited.

We hope this rating, which will be followed by a detailed report, will serve the intended purpose of your organization.

Yours Sincerely,


Shahed Shams Azad
Managing Director & CEO

Attachment: Appendix – 1

APPENDIX – 1: DETAILS OF CREDIT FACILITY OF HAKKANI PULP & PAPER MILLS LTD (MILLION BDT)

Bank	Facility	Limit	Outstanding	Limit Expiry
Social Islami Bank PLC	Project Loan (HPSM)	432.6	466.7	22/09/2028
Social Islami Bank PLC	Biam Term	34.7	30.5	22/09/2027
Social Islami Bank PLC	Biam Term	174.3	200.7	29/11/2028
Mercantile Bank PLC	Term Loan	11.8	5.2	29/03/2027
Total Long Term Funded		653.4	703.1	
Social Islami Bank PLC	Baim (com.)	130.0	0.0	30/06/2025
	Baim (LATR)*	50.00	0.0	30/06/2025
Mercantile Bank PLC	CC (H)	40.0	33.9	20/06/2025
	LATR*	(10.0)	10.0	20/06/2025
Total Short Term Funded		220.0	43.9	
Social Islami Bank PLC	LC	150.0	-	30/06/2025
Mercantile Bank PLC	LC	30.00	12.5	20/06/2025
	BG	7.00	-	-
Total Short Term Non Funded		187.0	12.5	

Note:

- Bank Liabilities based on: 31/03/2025
- Bankers Feedback:
 - "Average" Relationship with "Irregular" repayment as per Banker's report of Social Islami Bank PLC
 - "Average" Satisfactory' with "Generally Satisfactory with occasional delay" repayment and "standard" loan status as per Banker's report of Mercantile Bank PLC
- The facility of Mercantile Bank Ltd is secured with registered mortgage of 135.55 decimal lands with force sale value of BDT 65.1 million
- The facility of Social Islami Bank Ltd is secured with registered mortgage of 697.13 decimal lands with force sale value of BDT 274.80 million [Overdue reported BDT 188.6 million]

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