

# SURVEILLANCE CREDIT RATING REPORT FALCON INTERNATIONAL EMBROIDERY

Ref. no.: FR/2022/025888



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SME Rating	WCR SE/ME	Outlook	Date of Declaration	Date of Expiration
	WCRME 3	Stable	11 October 2022	10 October 2023

WCRME 3 rating is equivalent to Bangladesh Bank SME rating scale of SME 3 under BRPD circular number BRPD(BIC)661/14B(P)/2014/2093.

**Financial Based on-** Management prepared financial statements for the years ended on 30 June of 2015, 2016, 2017, 2018, 2020, 2021 and audited 2019.

**Methodology:** SME Rating Methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com).

## RATING RATIONALE

WCRCL has reaffirmed 'WCRME 3' rating (pronounced as WASO Credit Rating Medium Enterprise Three) to Falcon International Embroidery (hereinafter referred to as 'FIE' or 'The Enterprise') based on its financial and other relevant qualitative and quantitative information up to the date of the rating declaration.

The above rating has been assigned based on the fundamentals of the enterprise which includes; experienced and proactive management, high interest Coverage position, good infrastructural arrangement, good Liquidity position, group support, low gearing in the capital structure. However, the above factors are constrained to some extent by lack of sufficient disclosure in financial statements, high competition in the industry, low profit margin compare to industry.

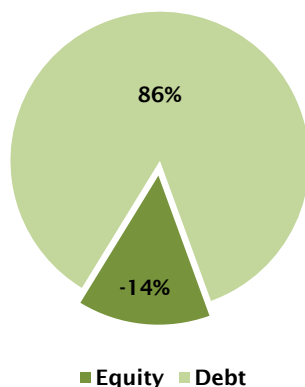
The SME rating implies that the entity is adjudged above average level of credit worthiness in relation to other MEs.

WCRCL also viewed the enterprise with "Stable" outlook and believes that FIE will be able to maintain its good fundamentals in the foreseeable future.

## Key Snapshot:

Tk. in million		
Particulars	FY21	FY20
Revenue	33.06	21.12
EBIT	-4.14	-11.33
Net Profit	-4.46	-11.36
Total Assets	4.15	59.21
Total Equity	-0.83	56.41
Debt	4.98	2.80
Net Profit Margin (%)	-13.5%	-53.8%
CCC (Days)	96.00	400.76
ICR (X)	-26.8	-

Capital Structure  
(BDT. in million)



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