

SURVEILLANCE CREDIT RATING REPORT MILES FASHION WEAR



Ref. no.: FR/2022/26109

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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	29 August 2022	28 August 2023

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

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Uttara Bank Limited	CC (H)	10.00	9.74	28.08.2022

BDT. in million

Financial Based on-unaudited financial statement for 31 December 2021.

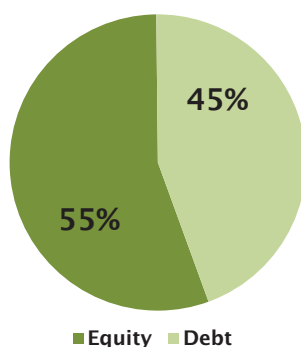
Methodology: SME rating methodology published on the WCRCL website at www.wasocreditrating.com

Key Snapshot:

BDT. in million

Particulars	2021	2020
Revenue	33.97	29.54
EBIT	4.09	3.48
Net Profit	3.16	2.64
Total Assets	33.50	30.85
Total Equity	18.56	17.14
Debt	14.95	13.71
Net Profit Margin (%)	9.3%	8.9%
CCC (Days)	342.57	375.15
ICR (X)	4.51	4.21

Capital Structure
(BDT. in million)



RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise **Three**) rating under the SME Rating to **Miles Fashion Wear** (hereinafter referred as "MFW" or "The Enterprise") based on its financial and other relevant qualitative and quantitative information up-to the date of the rating issuance.

The above rating has been assigned based on the fundamentals of the enterprise which includes:

- Experienced and skilled management
- Good business network
- Good profitability margin
- Low levered capital structure
- Good interest coverage position
- Satisfactory banking relationship

However, the above rating has been moderated to some extent due to some factors like:

- Low disclosure of financial statement
- Tight liquidity position with long cash conversion cycle
- No insurance coverage
- Low management information system (MIS) and Manual accounting system

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The SME rating implies that the enterprise is adjudged to **above average level** of credit worthiness in relation to other small enterprises.

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