

# SURVEILLANCE CREDIT RATING REPORT STYLUS TOWELS LIMITED

Ref. no.: FR/2022/25730



## Report Contents:

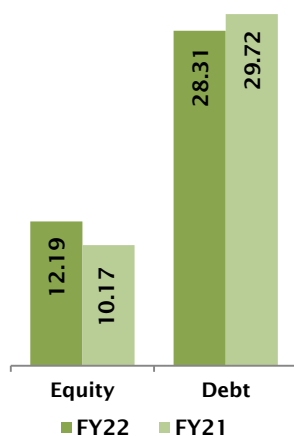
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## Key Snapshot:

Tk. in million

Particulars	FY22	FY21
Revenue	56.31	48.96
EBIT	5.39	4.44
Net Profit	3.86	3.18
Total Assets	40.59	39.89
Total Equity	12.19	10.17
Debt	28.31	29.72
Net Profit Margin (%)	6.9	6.5
CCC (Days)	67	72
ICR (X)	10.41	9.30

**Capital Structure**  
(BDT. in million)



## Analysts:

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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	19 September 2022	18 October 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.

BDT. in million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Islami Bank Bangladesh Limited	Composite Investment	10.00	9.89	18.09.2022

**Financial Based on-** Audited financial statements up to 30<sup>th</sup> June 2022.

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

## RATING RATIONALE

WCRCL has reaffirmed **WCRSE 3** (Pronounced WASO Credit Rating Small Enterprise Three) rating under the SME Rating to **Stylus Towels Limited** (hereinafter referred to as 'STL' or 'The company') 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
- Strong buyer base
- Strong business network
- good infrastructural arrangement
- Good interest coverage position
- Have insurance policy
- Satisfactory health and safety measures

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

- Average disclosure in the financial statement
- Poor security arrangement
- Highly levered in the capital structure
- Rented factory premises

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

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