

1st SURVEILLANCE CREDIT RATING REPORT SEHA APPARELS INTERNATIONAL LIMITED

Ref. no.: FR/2023/29627



Report Contents:

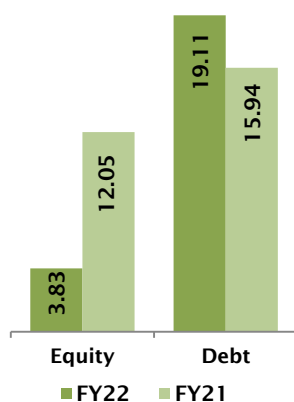
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Key Snapshot:

Tk. in million

Particulars	FY22	FY21
Revenue	181.13	149.37
EBIT	4.26	4.71
Net Profit	0.86	3.98
Total Assets	22.93	27.98
Total Equity	3.83	12.05
Debt	19.11	15.94
Net Profit Margin (%)	0.5	2.7
CCC (Days)	3	24
ICR (X)	1.84	6.43

Capital Structure
(BDT. in million)



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRME 3	Stable	13 February 2023	13 December 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.

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
	BTB LC	46.94	40.96	
National Bank Limited	PC	4.00	-	10.02.2023
	FDBP	3.00	-	
	Loan (G)-INC	10.17	1.98	

Financial Based on- Audited financial statements up to 30th June 2022.

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

RATING RATIONALE

WCRCL has reaffirmed **WCRME 3** (Pronounced WASO Credit Rating Medium Enterprise Three) rating under the SME Rating to **Seha Apparels International Limited** (hereinafter referred to as 'SAIL' 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
- Maintain 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
- Moderate interest coverage position
- Highly levered in the capital structure
- Vulnerability in raw- materials price in the local and international market may impact profitability
- rented factory premises

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

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