

SURVEILLANCE CREDIT RATING REPORT TRIPLE SEVEN APPARELS LIMITED

Ref. no.: FR/2023/030543



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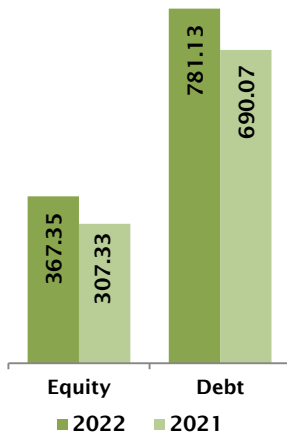
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Key Snapshot:

Tk. in million

Particulars	2021	2020
Revenue	2,357.27	1,540
EBIT	113.27	42.48
Net Profit	60.02	11.16
Total Assets	1,148.48	997.40
Total Equity	367.35	307.33
Debt	781.13	690.07
Net Profit Margin (%)	2.5%	0.7%
CCC (Days)	55.07	70.66
ICR (X)	2.76	1.83

Capital Structure (BDT. in million)



Analysts:

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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB1	ST-3	Stable	10 April 2023	09 April 2024

Tk. In Million

Name of the Bank	Mode of Investment	Sanctioned Limit	Outstanding Amount as on 04.04.2023	Bank Loan Rating
Social Islami Bank Limited	BBLC		147.4	
	Bills	400.00	193.8	
	EDF		110.4	
	Bai Salam	40.00	11.6	
	Baim (Com)	40.00	41.2	
	Baim Under Stimulus Package	7.00	4.10	blr ST-3
	BBLC-ST	120.00	0.20	
	Bills-ST		4.7	
	BBLC-ST	90.5	4.6	
	Bills-ST		77.3	
AB Bank Limited	Overdraft	10.00	10.00	
	Rev. Time Loan	80.00	35.73	
	[Term Loan -1]	37.91	37.91	
	Term Loan-2	115.70	115.70	
	Term Loan-3	67.76	67.76	blr BBB1
	Term Loan-4	10.34	10.34	
	Term Loan-5	9.62	9.62	
	BTB LC		57.33	
	[Acceptance]	600.00	304.45	
	LAC		--	blr ST-3
	[EDF]		--	
	FBP		--	

Financial Based on Audited financial statements up to 2022.

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

RATING RATIONALE

WCRCL has reaffirmed **BBB1** (pronounced as Triple B One) rating for the Long Term and **ST-3** (pronounced as Short Term Three) rating for Short Term to **Triple Seven Apparels Limited** (hereinafter referred to as 'TSPL' or 'The Company') based on its financial and other relevant qualitative and quantitative information up to the date of the rating issuance. WCRCL has also reaffirmed **blr BBB1** (pronounced as Bank Loan Rating Triple B One) for aggregated long term loan outstanding and **blr ST-3** (pronounced as Bank Loan Rating Short Term Three) rating to aggregate Short Term Limit. The above ratings have been assigned based on the fundamentals of the company which include experienced and proactive management, sustainable growth rate, good infrastructural arrangement, and good utilization of capacity. However, the above factors are constrained to operational bottleneck due to high leverage and financial risk, lack of sufficient disclosure in financial statements, moderate liquidity position, and profitability ratios was in downward phase.

The long term rating implies that the company medium credit risk. And considered medium grade and as such may possess certain speculative characteristics. The short term rating implies that the company has an acceptable ability to repay short term debt obligations from internal sources. However, it is expected to rely on external sources of committed financing due to downturn in economic or industry circumstances.

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

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