

# 1<sup>st</sup> SURVEILLANCE CREDIT RATING REPORT YTEX GARMENTS LIMITED

Ref. no.: FR/2023/30011



## Report Contents:

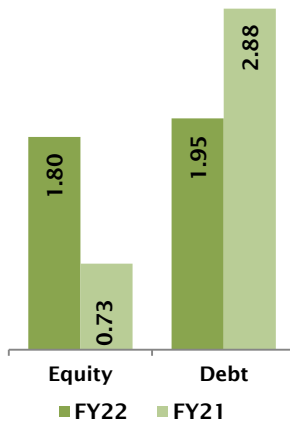
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## Key Snapshot:

Tk. in million

Particulars	FY22	FY21
Revenue	13.70	9.77
EBIT	1.23	0.09
Net Profit	1.14	0.04
Total Assets	3.75	3.61
Total Equity	1.80	0.73
Debt	1.95	2.88
Net Profit Margin (%)	8.3	0.4
Current Ratio (X)	0.84	0.48
ICR (X)	14.62	14.09

Capital Structure  
(BDT. in million)



## Analysts:

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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRME 3	Stable	12 March 2023	16 January 2024

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.

BDT. in million

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Bangladesh Commerce Bank Limited	OD	2.50	2.56	28.02.2023
	BBLC	25.00	0.88	

**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 **WCRME 3** (Pronounced WASO Credit Rating Medium Enterprise Three) rating under the SME Rating to **Ytex Garments Limited** (hereinafter referred to as 'YGL' 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
- 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
- Highly levered in the capital structure
- Poor security arrangement
- No insurance policy
- 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 YGL will be able to maintain its good fundamentals in the foreseeable future.