

3rd SURVEILLANCE CREDIT RATING REPORT
CITADEL APPARELS LIMITED
Ref. no.: FR/2023/032730



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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB-	ST 4	Stable	04 July 2023	03 July 2024

Tk. in Million

Name of Bank	Mode of Investment	Limit or Sanctioned Amount	Outstanding Amount as on July 2023	Bank Loan Rating
Agrani Bank Limited	L/C	300.00	117.60	blr ST 4
	IFBC		32.53	
	EDF		59.63	
	PAD		--	
	PC		16.80	

**blr-Bank Loan Rating*

Key Snapshot:

Tk. in million

Particulars	2021	2020
Revenue	936.33	823.49
EBIT	43.29	30.75
Net Profit	31.79	24.79
Total Assets	642.75	532.75
Total Equity	522.44	490.65
Debt	120.32	42.11
Net Profit Margin (%)	3.4%	3.0%
CCC (Days)	45	32
ICR (X)	6.36	14.52

Financial Based Audited financial statements up to 2022.

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

RATING RATIONALE

WCRCL has reaffirmed 'BBB-' rating (pronounced as Triple B Minus) for the long term and 'ST 4' rating (pronounced as Short Term Four) for the short term to Citadel Apparels Limited (hereinafter referred to as 'CAL' 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 assigned 'blr ST 4' rating to short term loan limit. The above ratings have been assigned based on experienced promoter in garments industry, financial flexibility arising from onus group, satisfactory health and safety measures, experienced management, long standing relationship with clients mitigates demand risk, overall profitability ratios were in increasing trend and regular loan repayment history. However, the above factors are constrained to some extent by no compliance audit by any independent body, poor collateral security arrangement and poor disclosure of financial statements.

The long term rating implies that the entity has Below Average Credit Quality. The short term rating implies that, the company has Below average ability to meet short term financial commitments

WCRCL also viewed the company with Stable outlook and believes that CAL will be able to maintain its good fundamentals in the foreseeable future. This rating may be revised in case of any extraordinary changes in line with the sponsor's equity investment, debt obligations, management, business operations and/or changes in any macro and micro factors of the economy.

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