

4th SURVEILLANCE CREDIT RATING REPORT IBNAT FASHIONS

Ref. no.: FR/2023/032319



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SME Rating	WCRSE/WCRME	Outlook	Date of Declaration	Date of Expiration
	WCRSE 3	Stable	12 June 2023	11 June 2024

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.

Tk. in Million

Bank	Mode of Investment	Sanctioned Amount	Outstanding Amount	Outstanding Date
Mercantile Bank Limited	SOD General SE	20.00	19.90	
	Working Capital	7.50	7.60	June 2023

Key Snapshot:

Tk. in Million

Particulars	2022
Revenue	89.63
EBIT	10.99
Net Profit	6.69
Total Assets	78.94
Total Equity	55.64
Debt	23.30
Net Profit Margin (%)	7.5%
CCC (Days)	188
ICR (X)	4.05

Financial Based on: Unaudited financial statements up to 2022.

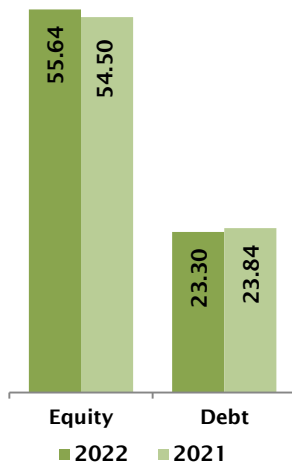
Methodology: SME rating methodology published on the WCRCL website at www.wasocreditrating.com

RATING RATIONALE

WCRCL has reaffirmed to **WCRSE 3** (Pronounced WASO Credit Rating Small Enterprise Three) rating to **Ibnat Fashions** (hereinafter referred to as 'IF' or 'The enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the enterprise.

The above rating has been assigned based on long experience of the Promoter helps to form stronger relationship with suppliers, customers and lenders, satisfactory coverage position of the concern, comfortable interest coverage position. However, the above factors are constrained to some extent by poor disclosure in financial statements, highly levered concern, small scales of operation, high competitive intensity of the traded products, liquidity of the firm was in stressed position due to payment nature of the customers.

Capital Structure
(BDT. in million)



Analysts:

Ummay Fatema

fatema@wasocreditrating.com

Md. Rafiul Bary

rafi@wasocreditrating.com

The SME rating implies that the enterprise is adjudged above average level of credit worthiness in relation to other SEs/MEs.

WCRCL also viewed the enterprise with **Stable** outlook and believes that **IF** will be able to maintain its good fundamentals in the foreseeable future.