

Report Contents:

Particulars	Page
Rating Rationale	1
Entity Profile	2
Business Management	2
Business Analysis	3
Financial Position Analysis	3
Banking Relationship	4
Risk Factor Analysis	5
Rating Observation	5

SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	12 September 2023	11 September 2024

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

Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Uttara Bank PLC	CC (H)	15.00	3.68	23.08.2023

Tk. in million

Key Snapshot:

Particulars	2022	2021
Revenue	51.22	37.69
EBIT	7.00	5.06
Net Profit	6.00	4.22
Total Assets	31.37	30.44
Total Equity	18.92	17.99
Debt	12.45	12.45
Net Profit Margin (%)	11.7	11.2
CCC (Days)	165	230
ICR (X)	7.00	5.99



Analysts:

Md. Monjur Alam Bappy
bappy@wasocreditrating.com

Ummay Fatema
Fatema@wasocreditrating.com

RATING RATIONALE

WCRCL has upgraded 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to **Imteaj Textile** (hereinafter referred as "IT" or "The Enterprise") 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
- Satisfactory banking relationship
- Good mortgage security coverage against loan
- Good business network
- Good Net Worth of the Proprietor
- Good interest coverage position
- Low levered capital structure

However, the above rating has been moderated to some extent due to some factors like:

- Tight liquidity position with long cash conversion cycle
- Low disclosure of financial statements
- Low management information system (MIS) and Manual accounting system
- Rented business premises and storage facility

The SME rating implies that the enterprise has **above average credit quality**.

WCRCL also viewed the enterprise with "Stable" outlook and believes that IT 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 in the economy.