

3rd SURVEILLANCE CREDIT RATING REPORT LUCRATIVE GARMENTS ACCESSORIES SOLUTION

Ref. no.: FR/2023/32607



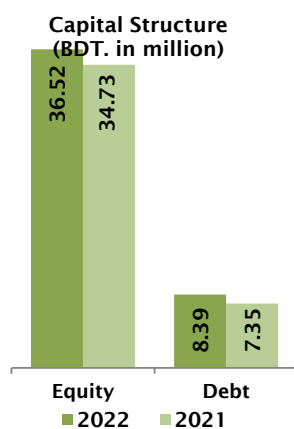
Report Contents:

Particulars	Page
Rating Rationale	1
Partners Profile	2
Business Management	2
Market Review	2
Business Analysis	3
Financial Position Analysis	4
Banking Relationship	5
Risk Factor Analysis	5
Rating Observation	6

Key Snapshot:

Tk. in million

Particulars	2022	2021
Revenue	93.15	86.56
EBIT	14.37	12.75
Net Profit	12.85	11.63
Total Assets	44.90	42.08
Total Equity	36.52	34.73
Debt	8.39	7.35
Net Profit Margin (%)	13.8%	13.4%
CCC (Days)	123	131
ICR (X)	9.41	11.32



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SME Rating	WCRSME	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	25 July 2023	24 July 2024

WCRSME3 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

Name of the Bank	Mode of Investment	Sanctioned Amount	Outstanding Amount	Outstanding Date
Uttara Bank Limited	CC (H)	2.50	2.54	30.06.2023
	LC	50.00	Nil	
	PIF	15.00	12.72	
	IBP	50.00	5.47	

Financial Based on- Audited financial statements up to 31 December 2021 and 2022.

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

RATING RATIONALE

WCRCL has reaffirmed 'WCRSE 3' (pronounced as WASO Credit Rating Small Enterprise Three) rating under the SME Rating to Lucrative Garments Accessories Solution (hereinafter referred to as 'LGAS' or 'The enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating assessment.

The above ratings have been assigned based on the fundamentals of the enterprise which include experienced of the proprietor, good business network, and low leverage position in the capital structure, good liquidity position, and comfortable security arrangement. However, the above factors are constrained to some extent by medium disclosure in the financial statement, small scale in the business, price volatility of the products, Proprietorship concern has no legal entity, no insurance coverage.

The SME rating implies that the Enterprise has above Average Credit Quality.

WCRCL also viewed the enterprise with "Stable" outlook and believes that LGAS 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.