

4th SURVEILLANCE CREDIT RATING REPORT
BADHON GARMENTS ONE
Ref. no.: CRAR- 6299/2023



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	07 November 2023	20 December 2024

Tk. In million

Name of the Bank	Mode of Investment	Sanctioned Amount	Outstanding Amount Dated on 16.10.2023
Uttara Bank PLC	CC(H)	2.00	2.00

Key Snapshot:

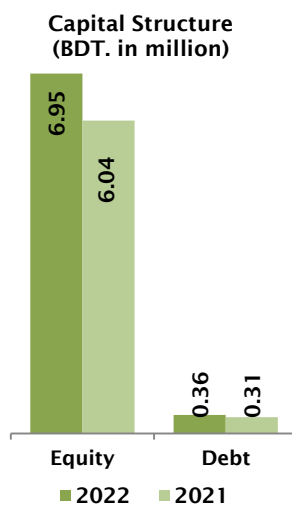
Particulars	2022	2021
Revenue	16.72	14.54
EBIT	2.37	2.06
Net Profit	2.30	2.00
Total Assets	7.31	6.35
Total Equity	6.95	6.04
Debt	0.36	0.31
Net Profit Margin (%)	13.8	13.8
CCC (Days)	94	101
ICR (X)	49.12	49.12

Financial Based on- Management prepared financial statements up to 31stst December 2022.

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

RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating under the SME Rating to **Badhon Garments One** (hereinafter referred to as 'BGO' 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 positioning of long business experiences of the proprietor, good business network, low leverage position in the capital structure, comfortable security arrangement & good interest coverage position. However the above factors are constrained to some extent by lack of disclosure in the financial statement, tight liquidity position with long cash conversion cycle, inventory holding risk & manual accounting process.

The SME rating implies that the enterprise is adjudged to above average credit quality.

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