

3<sup>rd</sup> SURVEILLANCE CREDIT RATING REPORT  
C & R SWEATER LIMITED  
Ref. no.: FR/2023/033622



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Entity Rating	Long Term	Short Term	Outlook	Date of Declaration	Date of Expiration
	BBB	ST 3	Stable	19 September 2023	18 September 2024

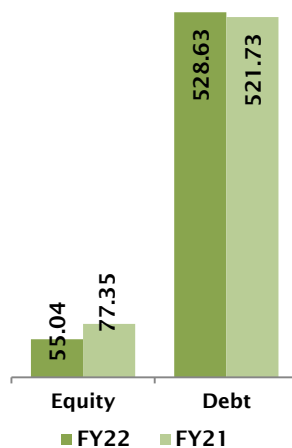
Banks	Mode	Limit Amount	Outstanding Amount	Outstanding Date	Bank Loan Rating
Standard Bank Limited	Term Loan	308.9	350.57	17.09.2023	blr BBB
	Muajjal	30.00	32.75		
	BAI Salam	25.00	14.24		blr ST 3
	BTB/LC	250.00			

\*blr-Bank Loan Rating

**Key Snapshot:**

Particulars	Tk. in million	
	FY22	FY21
Revenue	493.31	306.73
EBIT	82.12	44.81
Net Profit	42.06	24.54
Total Assets	583.67	599.08
Total Equity	55.04	77.35
Debt	528.63	521.73
Net Profit Margin (%)	8.5%	8.0%
CCC (Days)	147	88
ICR (X)	2.39	2.43

**Capital Structure (BDT. in million)**



**Analysts:**

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**Financial Based** Audited financial statements up to 30<sup>th</sup> June for 2018, 2019, 2020, 2021 and 2022.

**Methodology:** Corporate rating methodology published on the WCRCL website at [www.wasocreditrating.com](http://www.wasocreditrating.com)

**RATING RATIONALE**

WCRCL has reaffirmed 'BBB' rating (pronounced as Triple B) for the long term and 'ST 3' rating (pronounced as Short Term Three) for the short term to C & R Sweater Limited (hereinafter referred to as 'CRSL' 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 reaffirmed 'blr BBB' rating (pronounced as bank loan rating Triple B) for the term Loan and 'blr ST 3' rating (pronounced as bank loan rating Short Term Three) to aggregate short term loan limit. The above ratings have been assigned based on experienced promoters and management in garment industry, experienced and skilled management, strong interest coverage position and owned factory premises and good infrastructural arrangement. However, the above factors are constrained to some extent by average disclosure in the financial statement, manual accounting process, low levered in the capital structure, tight liquidity position with long cash conversion cycle, no insurance coverage and volatile market price of the raw materials.

The long term rating implies that the entity is subject average credit quality. The short term rating implies that average ability to meet short term financial commitments.

WCRCL also viewed the company with "Stable" outlook and believes that CRSL 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