

7th SURVEILLANCE CREDIT RATING REPORT

J.S TEXTILE

Ref. no.: CRAR- 2070/2023



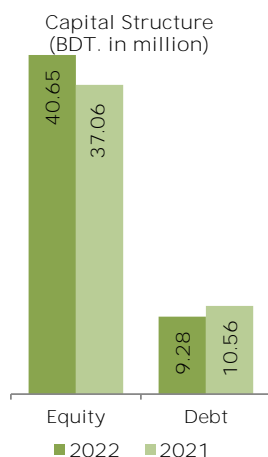
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Key Snapshot:

BDT. in million

Particulars	2022	2021
Revenue	52.56	56.57
EBIT	7.80	8.49
Net Profit	6.59	7.13
Total Assets	49.93	47.62
Total Equity	40.65	37.06
Debt	9.28	10.56
Net Profit Margin (%)	12.5	12.6
CCC (Days)	228	181
ICR (X)	28.97	24.67



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME4	Stable	07 November 2023	07 November 2024

BDT. in million

Name of the Bank	Mode of Investment	Sanctioned Amount	Outstanding Amount	Outstanding Date
Islami Bank Bangladesh PLC	MDB+TR	3.70	3.02	06.11.2023

Financial Based on- *Audited financial statements up to 31st December 2022.*

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

RATING RATIONALE

WCRCL has reaffirmed 'WCRSME4' (pronounced as WASO Credit Rating Small and Medium Enterprise Four) rating under the SME Rating to J.S Textile (hereinafter referred to as 'JST' 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 long business experiences of the proprietor in the business, good business network, low leverage position in the capital structure and good interest coverage position.

However, the above factors are constrained to some extent by low disclosure in the financial statement, grey fabrics manufactured by third party, long cash conversion cycle due to pile up inventory in stock, majority transactions of the enterprise are made by credit, manual accounting process, no insurance coverage and rented office premises.

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

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