

4<sup>th</sup> SURVEILLANCE CREDIT RATING REPORT  
M. TALUKDER HOSIERY & GARMENTS

Ref. no.: CRAR- 6231/2023



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SME Rating	Rating Notch	Outlook	Date of Declaration	Date of Expiration
	WCRSME3	Stable	31 October 2023	30 October 2024

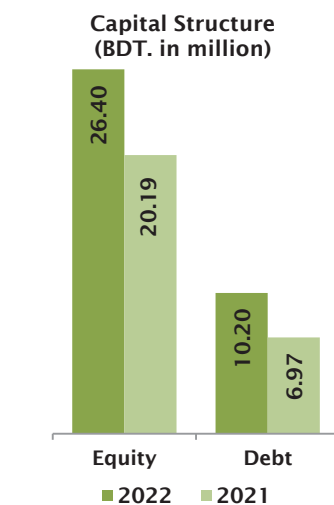
Bank Name	Mode of Investment	Sanctioned Amount	Outstanding Amount	Date of Outstanding
Uttara Bank Limited	CC(H)	17.50	10.22	16.10.2023

**Financial Based on-** Un-audited financial statements up to 31<sup>st</sup> December 2022.

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

Key Snapshot:

Particulars	Tk. In Million	
	2022	2021
Revenue	58.00	46.70
EBIT	12.63	5.55
Net Profit	11.99	5.38
Total Assets	36.60	27.16
Total Equity	26.40	20.19
Debt	10.20	6.97
Net Profit Margin (%)	20.7	11.5
CCC (Days)	201	215
ICR (X)	20.20	34.18



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RATING RATIONALE

WCRCL has reaffirmed 'WCRSME3' (pronounced as WASO Credit Rating Small and Medium Enterprise Three) rating to M. Talukder Hosiery & Garments (hereinafter referred to as 'MTHG' 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
- Good business network
- Good mortgage security coverage against loan
- Good interest coverage position
- Low levered capital structure

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

- Low disclosure of financial statements
- Inventory holding risk
- Tight liquidity position with long cash conversion cycle
- Manual accounting system

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

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