

4th SURVEILLANCE CREDIT RATING REPORT
MASUD GARMENTS
 Ref. no.: CRAR- 6187/2023



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

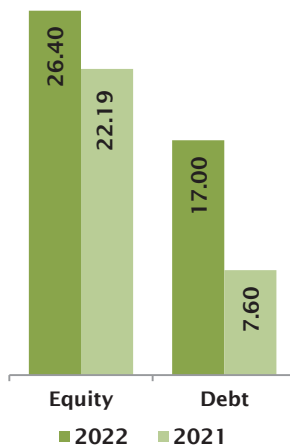
Tk. In million

Name of the Bank	Mode of Investment	Sanctioned Amount	Outstanding Amount Dated on 16.10.2023
Uttara Bank PLC	CC(H)	15.00	13.25

Key Snapshot:

Particulars	2022	2021
Revenue	58.00	53.71
EBIT	12.65	6.41
Net Profit	12.01	6.22
Total Assets	41.60	29.79
Total Equity	26.40	22.19
Debt	17.00	7.60
Net Profit Margin (%)	20.7	11.6
CCC (Days)	210	206
ICR (X)	20.24	35.87

Capital Structure (BDT. in million)



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 **Masud Garments** (hereinafter referred to as 'MG' or 'The Enterprise') based on its financial and other relevant qualitative and quantitative information up-to the date of the rating assessment.

The above rating has been assigned based on the fundamentals of the enterprise which includes:

- Experienced and skilled management
- Good business network
- Good interest coverage position
- Low levered capital structure
- Good mortgage security coverage against loan

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

- Tight liquidity position with long cash conversion cycle
- Low disclosure of financial statements
- 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 MG 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.

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